CANADA

HOUSE OF COMMONS DEBATES

OFFICIAL REPORT

SECOND SESSION—TWENTY SIXTH PARLIAMENT

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COMPRISING THE PERIOD FROM THE SEVENTEENTH DAY OF MARCH, 1964,
TO THE SIXTEENTH DAY OF APRIL, 1964, INCLUSIVE

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ROGER DUHAMEL, F.R.S.C.
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HOUSE OF COMMONS

Tuesday, March 17, 1964

The house met at 3.30 p.m.

WORLD FAIR

USE OF SYMBOL DELETED BY PARLIAMENT FROM BILL

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I want to bring to the attention of the Prime Minister, as the custodian in the house of the rights of parliament, a matter that I think it will be agreed constitutes a contempt of and an affront to parliament. I refer to the action taken by the directors of the world fair, the Canadian centennial fair, to which this parliament contributes, in deciding they would not follow the direction of parliament and would use the symbol which parliament deleted from the bill.

This to me is an arrogant affront to parliament. They may not think we are judges of art, but we are supplying a large amount of money in this connection. All sides of the house agreed and the Minister of Justice joined in the drafting of the amendment, but the directors decided, without regard to any consideration for parliament, to act as they saw fit.

That is not the kind of co-operation, I suggest to the Prime Minister, to which parliament is entitled. I am not in any way blaming him, but I would like to know—as he is the custodian of the rights of parliament, as I mentioned a moment ago—what he has done to bring to the attention of the directors what must be the feeling of all hon. members in this regard.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I shall be making inquiries at once into this matter, which was brought to my attention by press reports only this morning. I am glad the right hon. gentleman has raised this matter in the house, and I will make inquiries and report to the house at the earliest possible date.

LABOUR RELATIONS

MARITIME UNION TRUSTEES—REMOVAL OF HAL BANKS—ALLEGED WIRETAPPING OF OFFICES

On the orders of the day:

Hon. Michael Starr (Ontario): Mr. Speaker, I wish to address a question to the Minister of Labour and ask him whether it is a fact that an agreement has been reached between the S.I.U. of Canada and the United States whereby Banks is to be fired within the next three weeks.

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, I have no information that would support the suggestion contained in my hon. friend's question.

Mr. Starr: I wonder whether the Minister of Labour would check into this possibility and advise the house if there is any truth in it.

Mr. MacEachen: Yes, Mr. Speaker, I shall be glad to make inquiries.

Mr. Speaker, perhaps I may now answer a question asked yesterday by the right hon. Leader of the Opposition with respect to the alleged wiretapping of the board of trustees office in Montreal.

In reply to the question raised yesterday by the Leader of the Opposition, I have learned that evidence has been found of wires attached to one of the telephone lines to the board of trustees office in Montreal. With suitable equipment these wires could have been used for monitoring conversation on the line. The investigation into this matter is proceeding, but I am informed that it may not be possible to establish definitely whether the attempt was successful.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Is the minister in a position to advise when this illegal and unlawful action was first ascertained, and whether there has been anything to indicate who might have participated therein?

Mr. MacEachen: Mr. Speaker, I am not absolutely sure as to the date when this particular matter was discovered, but I will make inquiries on that point. I do not think any information or evidence exists at present as to the persons responsible for this attempt but I understand that an investigation is currently going forward into the matter.

TRADE

MEETING OF COMMONWEALTH MINISTERS PRECEDING UN CONFERENCE

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I direct a question to the Minister of Trade and Commerce. The

morning press carries a report that a commonwealth ministerial meeting is to be held in London on Thursday and Friday of this week as a preliminary to the United Nations trade and development conference which is being held in Geneva next week. May I ask the Minister of Trade and Commerce two questions. First of all, who will represent Canada at the commonwealth conference on Thursday and Friday of this week? Second, is it true that one of the items on the agenda is a discussion as to the possibility of abandoning the present commonwealth preferential trading system?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, I understand that the Canadian government will be represented by my colleague the Secretary of State for External Affairs at the United Nations conference on trade and development. The meetings that are to be held in London are meetings of commonwealth ministers preliminary to the United Nations conference. We will be represented at those meetings by Mr. Dana Wilgress.

As to the second question about the agenda, it is not my understanding that commonwealth preferences as such are on the agenda, but there is on the agenda, of course, a proposal made by Mr. Prebisch, who is secretary of the United Nations conference, for a system of preferences for the trade of less developed countries with the industrialized countries of the world.

Mr. Douglas: A supplementary question, Mr. Speaker. May I ask the Prime Minister if this is likely to lead to a commonwealth prime ministers' conference on trade and have any representations been made by the Canadian government for the holding of such a conference?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, it is difficult to say at the present time whether anything developing out of the United Nations conference would require a commonwealth prime ministers' meeting, but my hon. friend knows that a meeting of commonwealth prime ministers to be held some time this summer or in the early autumn is currently under consideration.

Mr. Douglas: If the meeting in London on Thursday and Friday of this week is a ministerial meeting, may I ask the Prime Minister why Canada is not being represented by a minister?

Mr. Pearson: I will have to look into that, Mr. Speaker, but I do not think all the commonwealth countries are being represented by ministers at this London meeting.

DOMINION-PROVINCIAL CONFERENCE

DISCUSSION OF REDISTRIBUTION OF TAXING POWERS

On the orders of the day:

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I should like to direct a question to the Prime Minister. Could he tell us, after the budget that was introduced last night, whether there are still possibilities of discussion for the next federal-provincial conference to be held in Quebec in a few days, concerning fiscal redistributions between the federal and provincial governments?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker, the conference will be held as scheduled, and the major item of the agenda is shared programs and their effect on fiscal matters.

[*Later:*]

[*Translation*]

Mr. Gregoire: Mr. Speaker, I have a supplementary question. Was the Prime Minister invited to meet the several thousands of university students of the province of Quebec who are to hold meetings in Quebec city on the occasion of the next federal-provincial conference?

If he is invited, does the Prime Minister intend to meet those students to hear their views?

[*Text*]

Mr. Pearson: I do not think I have had any such invitation.

TRANS-CANADA AIR LINES

WINNIPEG MAINTENANCE BASE—REPRESENTATIONS BY UNION

On the orders of the day:

Mrs. Margaret Konantz (Winnipeg South): I have a question for the Minister of Transport. Has the minister any information to give the house about a statement issued by union lodge 714 in Winnipeg concerning employment at the T.C.A. maintenance base?

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, the alert member for Winnipeg South—

Mr. Churchill: I was up on my feet three times.

Mr. Pickersgill: —having been able to get in ahead of a privy councillor should be congratulated. This matter was brought to my attention yesterday afternoon by a telephone call which I received from Mr. Gurney Evans, minister of trade and industry in the

government of Manitoba, who told me that certain reports had appeared in Winnipeg emanating apparently from the union to which the hon. lady referred.

I asked at once if T.C.A. could inform me precisely what had happened. I knew there had been a meeting between the union locals in Montreal and Winnipeg and the management of the air line something over a week ago. I asked T.C.A. if they could give me an account of what had happened. I think, in view of the very widespread interest in this question, it would perhaps be just as well if I put on the record precisely what I was told.

T.C.A. advised that a recent announcement regarding the agreement between the Winnipeg and Montreal lodges of the international association of machinists, and concurred in by the company, does not in any way change the previously announced plans of T.C.A. in relation to the Winnipeg base. The announcement referred to was released by the international association of machinists.

Discussions have been held at the request of the union between T.C.A. management and representatives of the international association of machinists to clarify seniority rights of the air lines' maintenance and overhaul employees, particularly as they involve transfers from one location to another. In the course of these discussions, the question inevitably arose concerning the status of Winnipeg based employees whose seniority rights under existing agreements contained certain regional limitations. It is the wish of both air line management and the union to protect the rights of senior employees under any circumstances that might arise, and it was therefore felt necessary to modify the rules with respect to the application of seniority rights as stated in existing labour agreements between the company and its employees so as to provide wider scope for exercise of these rights.

The fact that this essential exercise in long term planning has been undertaken in no way implies that T.C.A. is contemplating immediate large scale reduction in its Winnipeg maintenance and overhaul staff. Employment at Winnipeg will continue to be related to the required volume of Viscount maintenance and overhaul work, as publicly stated hitherto by both the government and by T.C.A. management. I might say that as soon as I received this statement from T.C.A. this morning I communicated it to Mr. Evans so that if he had any questions in the legislature of Manitoba he would be able to give the information to those concerned.

Hon. Gordon Churchill (Winnipeg South Centre): May I ask a supplementary question. I have a short question for the Minister of Transport which would entail a short answer, such as is customary on orders of the day. Will the Minister of Transport give the same assurance that was given by his predecessor in office, that employment at the T.C.A. base in Winnipeg will increase rather than decrease during this year and the coming years?

Mr. Pickersgill: I would say that to the best of my knowledge, sir, no such assurance was ever given by my predecessor, and I am bound by the statements that were made by the Prime Minister and by the company.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a supplementary question on this matter to the Prime Minister. Has the Prime Minister received a telegram from the union in Winnipeg with respect to this matter, indicating in particular its concern about the report that the phasing out would start in 1964? If so, what has been his reply to the union in Winnipeg?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, it may be that a telegram on this matter came in this morning, but I have not had a chance to deal with it yet.

[*Translation*]

Mr. Real Caouette (Villeneuve): Mr. Speaker, I would like to ask the Minister of Transport a supplementary question.

As the other day the Minister of National Defence made a statement in the house to the effect that the two radar bases of St. Sylvestre, in the county of Lotbiniere, and Parent, in the county of Chapleau, have been closed down in order to save this country $6 million, what does the Minister of Transport propose to do with regard to the established fact that this country would save $40 million carrying out repairs of T.C.A. aircraft in Montreal rather than in Winnipeg?

[*Text*]

Mr. Pickersgill: Mr. Speaker, I have no intention of seeking in any way to modify the position taken by T.C.A. itself in 1962 and reaffirmed by the Prime Minister on more than one occasion, that so long as the Viscount aircraft was in service with T.C.A., the maintenance would be done in Winnipeg.

Hon. Leon Balcer (Three Rivers): As a supplementary question, could the minister tell us whether he agrees with the statement which has been published in the press that if the move from Winnipeg to Montreal does not take place it is going to cost $40 million more?

Mr. Pickersgill: Mr. Speaker, I have never posed as an expert in these matters and I am not going to start now. T.C.A. engaged management consultants who made certain statements that have been distributed in this house,

and the hon. member for Three Rivers is just as capable of interpreting them and just as competent to interpret them as I am.

Mr. Balcer: Mr. Speaker, as a further supplementary question, could the minister tell us whether the government has been asked by T.C.A. to take over this $4 million yearly deficit on its own account instead of having it charged to the account of T.C.A.?

Mr. Pickersgill: To the best of my knowledge T.C.A. has never indicated to the government that there would be any such deficit; therefore there has been no request to take it over.

Mr. Speaker: The hon. member for Kootenay West.

Mr. McIntosh: A supplementary, Mr. Speaker.

Mr. Gregoire: A supplementary question, Mr. Speaker.

Mr. Speaker: There are two more supplementary questions and I think that should terminate the discussion. The hon. member for Swift Current-Maple Creek.

Mr. Jack McIntosh (Swift Current-Maple Creek): Mr. Speaker, I would ask the minister whether he would consider putting the Viscount back on the prairie run, and that would solve the problem for everybody.

Mr. Pickersgill: Mr. Speaker, I am not going to go into the business of running an air line myself.

[*Later:*]

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, as a supplementary question, I would like to ask the Minister of Transport whether political pressure has been put on his department for keeping the maintenance station for T.C.A. aircraft in Winnipeg rather than in Montreal, and, if so, can the minister tell us what sort of political pressure was exerted upon his department?

[*Text*]

Mr. Pickersgill: I think, sir, a question as long as that should be read and meditated about carefully before it is answered.

VETERANS AFFAIRS

REQUEST FOR REPORT ON MEETING RESPECTING HOSPITALS

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address a question to the Minister of Veterans Affairs. Is the minister in a position to report the results of his meeting yesterday with national officers of various veterans associations with respect to the future of veterans hospitals in Canada?

Hon. Roger Teillet (Minister of Veterans Affairs): Mr. Speaker, I think it would take me some considerable time to give an adequate answer to that question. To be as brief as possible I can say that, as the hon. member would expect, it was an excellent meeting, and I found a very general understanding and appreciation of the problems we are faced with in respect to these hospitals.

The real concern shown at the meeting was that if any such transfer should take place the veterans rights would be protected in such a way as to ensure nothing would be taken away. This was the major matter of concern placed before me. As I say, it was an excellent meeting, but I would need 15 or 20 minutes to do justice to a question of this kind.

[*Later:*]

Mr. F. J. W. Fane (Vegreville): Mr. Speaker, I have a question for the Minister of Veterans Affairs. I should first like to ask the minister whether he would care to make any amendments to the answer given to a question I asked him yesterday, as recorded on page 934 of *Hansard*.

Mr. Speaker: Order, please. May I point out to hon. members that it is now 4.15 and there are at least four more hon. members who wish to ask questions. Perhaps we could proceed with the business of the house.

Mr. Fane: Then, Mr. Speaker, I raise a question of privilege. My question of privilege is that in the answer the minister gave to my question yesterday he definitely misled this house and anybody who receives information as to what occurs in this house. I asked the minister:

> —exactly when, and in what words, the standing committee on veterans affairs recommended that veterans hospitals should be taken over by other authorities?

The answer with which the minister provided me was:

> The recommendation of the committee was that if and when any transfer should take place, veterans organizations be consulted.

I refer now, Mr. Speaker, to the report of the veterans affairs committee. This is to be found in the minutes of proceedings and evidence No. 13, of Tuesday, December 10, 1963. Recommendation No. 12 of that committee was as follows:

> Your committee is aware that a point has been reached where a decision must be made regarding treatment services in both areas of responsibility and administration. Your committee recommends that fullest consultation be carried out with veterans organizations before any changes are made.

I realize perfectly well that the meeting the minister attended yesterday, with regard to which he reported to some extent today, was carrying out that recommendation; but the answer of the minister was not correct according to the report of the standing committee on veterans affairs.

Hon. Roger Teillet (Minister of Veterans Affairs): Mr. Speaker, perhaps this is an excellent illustration of attempting to answer questions without notice.

An hon. Member: Without knowledge.

Mr. Teillet: I interpreted, I believed correctly, the recommendation. It was an interpretation; I did not have the text before me. If I have misled my hon. friend I should be glad to apologize. However, I think if he will read the answer again he will realize it is a fairly close interpretation of that recommendation.

[*Later:*]

Mr. P. B. Rynard (Simcoe East): Mr. Mr. Speaker, I should like to ask the Minister of Veterans Affairs whether he can indicate to the house how many beds will be available, and what it is proposed to do with those veterans who are chronically ill. Is there a proposal to put them into nursing homes, or what is going to be done with these veterans? My second question is this. With regard to the outlying areas which are some distance from veterans hospitals, what is the proposal respecting those veterans who become ill and who were previously sent to the bigger centres for treatment? Are they to be put on the ordinary waiting lists of these hospitals, many of which have long waiting lists at the moment?

Mr. Speaker: Order. May I suggest to the minister that he take this question as notice.

REQUEST FOR EXTENSION OF ALLOWANCES FOR CHILDREN

On the orders of the day:

Mr. C. F. Kennedy (Colchester-Hants): I should like to direct a question to the Minister of Veterans Affairs. In view of the announced extension of family allowances to children of 16 and 17 years, does the minister now intend to announce a similar extension under the veterans charter in respect of children in this age group?

Hon. Roger Teillet (Minister of Veterans Affairs): May I take that question as notice?

EXTERNAL AFFAIRS

CYPRUS—INQUIRIES RESPECTING PEACE KEEPING FORCE

On the orders of the day:

Mr. Heath Macquarrie (Queens): As one Irishman to another, I should like to address a question to the honourable and learned Secretary of State for External Affairs. Knowing the proper interest taken by the minister and the government in wider United Nations participation in the Cyprus operation, is the hon. gentleman in a position to report on any wider range of United Nations member involvement in this important peace keeping operation or on any other aspect of the role of the United Nations in this very important operation?

Hon. Paul Martin (Secretary of State for External Affairs): I cannot report that any country, in addition to those already announced has given any indication of intention to join the force, but efforts along that line are being pursued.

Mr. W. B. Nesbitt (Oxford): Has Canada been pursuing this matter with some of her friends in an effort to get them to participate, or is it the secretary general who has been doing the pursuing?

Mr. Martin (Essex East): It is being done both by Canada and by the United Nations.

Mr. T. C. Douglas (Burnaby-Coquitlam): Can the secretary of state tell us anything about the Finnish contribution which was rumoured last week?

Mr. Martin (Essex East): Finland has already decided to join the force.

Mr. H. A. Olson (Medicine Hat): May I direct a supplementary question to the minister, and ask him if he would care to comment on a report that the Turkish parliament has authorized the government to land troops on Cyprus if necessary? Could he indicate whether, in his view, the Canadian peace force now being assembled on the island would be able to cope with such a situation?

Mr. Martin (Essex East): I am sure the government of Turkey, having expressed, as it did, its pleasure and satisfaction at the establishment of the force, would not wish to take any steps that would make impossible or difficult the operations and work of that force.

[*Later:*]

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, may I reply to a question asked yesterday by the hon. member for Moose Jaw-Lake Centre with regard to a news report that Canadian troops were being paid in U.S. currency in order, according to the report, to pay any debts before leaving for Cyprus. In actual fact the payment was made to ensure that each man was in possession of a small amount of money easily negotiable to cover any expenses that might be incurred en route to Cyprus or in

Cyprus itself. I have been unable to discover anything about using these funds to pay debts. Cash pay in Cyprus will be in local currency in accordance with United Nations foreign policy.

Mr. Stuart A. Fleming (Okanagan-Revelstoke): Mr. Speaker, a supplementary question. Can the minister tell us why Canadian currency is not easily negotiable?

Mr. Gordon: Mr. Speaker, I happen to think that Canadian currency should be easily negotiable all over the world, but it so happens that the United States is a little better known than we are and its currency is more easily negotiable in some countries.

Mr. Bell: What is the minister doing about that?

[*Later:*]

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, yesterday the hon. member for Winnipeg South Centre asked what arrangements had been made for hospital services for Canadian troops serving in Cyprus. I can now give a detailed answer to the hon. member.

The Canadian army has obtained information from the British war office concerning the availability of medical resources in Cyprus, and such information has effected the formulation of the Canadian medical support plan.

The Canadian contingent includes the regimental medical officer and eight medical assistants of the Van Doos, together with normal medical stores. In addition, there are a second medical officer and four medical assistants attached to the Canadian contingent. Hospital facilities made available by the British consist of the British military hospital at Dekhelia and the Royal Air Force hospital at Akrotiri, both full treatment hospitals.

It is not the practice of the British to hold long term patients at these hospitals and, should the necessity arise, a Canadian air evacuation plan has been made using the R.C.A.F. 3 air wing hospital facilities at Zweibrücken in Germany.

UNEMPLOYMENT INSURANCE

REPRESENTATIONS RESPECTING COVERAGE OF FARM LABOUR

On the orders of the day:

Mr. Reynold Rapp (Humboldt-Melfort-Tisdale): I have a question for the Minister of Labour. Has the minister been informed by Mr. F. C. Cronkite of Saskatoon, chairman of the prairie regional employment committee, of a resolution recently adopted by the convention in Winnipeg requesting that unemployment insurance coverage be extended to include farm labour? If so, has the minister any comments on this very important and urgent matter?

Hon. A. J. MacEachen (Minister of Labour): I do not recall receiving the resolution to which the hon. member refers, but I will make an investigation to see whether I have received these representations with respect to the coverage of farm labour.

PAYMENTS TO PERSONS REFUSING EMPLOYMENT IN STRIKEBOUND PLANT

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): I wonder if the Minister of Labour is in a position to answer the question put to him yesterday with reference to the strikebound plant owned by Canadian Forest Industries Limited, and the complaint that persons refusing to take employment in this plant might forfeit their unemployment insurance benefits. Is that in fact the situation?

Hon. A. J. MacEachen (Minister of Labour): The answer, Mr. Speaker, is no. Section 59(2)(a) of the Unemployment Insurance Act provides that employment arising in consequence of a stoppage of work attributable to a labour dispute is not suitable employment. A claimant may therefore refuse such employment without loss of benefit.

LABOUR CONDITIONS

EMPLOYMENT OF OLDER WORKERS IN PUBLIC SERVICE

On the orders of the day:

Mr. Heward Grafftey (Brome-Missisquoi): I have a question which I should like to address to the Minister of Labour. Will the minister inform the house what he is doing to ensure that his policy of helping older workers to obtain employment is being implemented within the public service itself?

Hon. A. J. MacEachen (Minister of Labour): I shall be glad to look into the activities of the Department of Labour with respect to encouraging other government departments. I know that in all aspects of our employment program an effort is being made to encourage the government as an employer to follow in this direction.

Mr. Grafftey: A supplementary question. Is the Minister of Labour aware that the penitentiaries commission refuses to consider applications for work from individuals over the age of 45 for jobs other than those of a custodial nature? This being the case, will the minister make the strongest possible representations to the penitentiaries commission and to the civil service commission about discrimination of this sort? I ask this question—

Some hon. Members: Order.

Mr. Grafftey: —because I have to—

Mr. Speaker: Order. Will the hon. member please take his seat. Might I point out to the hon. member that he is making a statement, not asking a question.

Mr. Grafftey: I should like to ask the Minister of Labour, in view of this anomaly, whether he will make the strongest possible representations to the Minister of Justice and the civil service commission. I make this differentiation because, as I understand it, the penitentiaries commission are independent of the civil service commission for hiring purposes.

Mr. MacEachen: Mr. Speaker, if the facts as set out by my hon. friend are correct I will be glad to make proper representations to my colleagues.

Mr. Grafftey: On a point of order, the minister says "if the facts are correct". I believe they are correct. This being the situation, could I also address a supplementary question to the Minister of Veterans Affairs. A policy which discriminates against people who are 45 years of age and over completely nullifies the effects of veterans—

Mr. Speaker: Order. The hon. member is repeating the same form of statement. If he cares to ask a question he may do so, but I do not think it is up to the hon. member to make a statement unless he has absolute proof.

TRANSPORT

REPORTED DISCONTINUANCE OF BRIDGE SUBSIDY

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I have a question for the Minister of Transport. There is some confusion about whether the bridge subsidy payments have ended. Apparently the railways have told certain shippers that the bridge subsidy has ended, and if that is so I should like to ask what is the purpose of the several million dollars in the estimates for this year, and when the action formally ending the subsidy was taken.

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, as I understand it—though I am not sure that this is a proper question for the orders of the day—the bridge subsidy is provided by parliament and can only be changed by parliament. Some day I hope to introduce some legislation on this matter which has not been introduced yet.

Mr. Fisher: A supplementary question. Would the minister investigate at once and seek an explanation why a rate increase was passed on to the shippers as from March 1, the reason being given that the bridge subsidy was ending?

Mr. Pickersgill: If the hon. gentleman can provide me with some concrete evidence of these things so that I can make an inquiry about them I will be glad to do so.

HEALTH AND WELFARE

TORONTO—REQUEST FOR INCREASED HOSPITAL GRANT

On the orders of the day:

Mr. Reid Scott (Danforth): Mr. Speaker, I want to address a question to the Prime Minister concerning the national problem of hospital bed shortage in metropolitan Toronto. In view of the meetings being held now in Toronto to try to solve this urgent matter, would the Prime Minister consider making a decision one way or the other as to whether the federal government will increase its grants, so that the people who are trying to solve this problem will know whether they can look to the government for assistance or whether they are going to have to solve the financial problem in other ways? Would the Prime Minister consider making a decision one way or the other, instead of giving the indecisive answers which we have been getting over the last eight months?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I appreciate both the importance and the urgency of this matter, and I will be glad to discuss it with my colleagues directly concerned and make a statement at the earliest possible date.

Mr. Scott: A supplementary question. Is the Prime Minister aware that this is just about the answer he gave me six months ago, and would he again consider making a firm decision one way or the other in the very near future?

Mr. Pearson: Mr. Speaker, I think this is the first time I have answered my hon. friend on this question.

PUBLIC SERVICE

GLASSCO COMMISSION—APPLICATION OF RECOMMENDATIONS TO CERTAIN DEPARTMENTS

On the orders of the day:

Mr. Gene Rheaume (Northwest Territories): Mr. Speaker, my question to the Minister of Finance arises out of press reports that the federal Departments of Agriculture, Northern Affairs, Veterans Affairs and Transport are to be made guinea pigs for Glassco commission economies. In view of the absence of any

reference to this subject in last night's budget speech, would the minister now advise the house as to the nature of the experiments that are to be performed on or in these departments?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, without agreeing for a minute with the phrases used by my hon. friend in introducing his question, on the recommendation of the organization which has been set up to consider and implement the proposals of the Glassco commission it was decided by the treasury board to employ firms of management consultants to work with officials of the four departments referred to in studying the detailed application of the recommendations of the Glassco commission in respect of those particular departments.

FINANCE

REPORTED INCREASE IN BANKRUPTCY

On the orders of the day:

Hon. Michael Starr (Ontario): Mr. Speaker, I should like to address a question to the Minister of Finance. A dominion bureau of statistics release shows an 18½ per cent increase in bankruptcy in the last quarter of 1963 as compared with 1962. Can the Minister of Finance explain this alarming increase?

FAMILY ALLOWANCES—INCREASED PAYMENTS TO STUDENTS IN QUEBEC

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I have a question to ask the Minister of Finance. Can the minister tell the house whether the supplementary family allowances to be paid by Ottawa to 16 and 17 year old students will be added to the similar allowances already paid by the Lesage government to Quebec students?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, I am not in a position to speak for the Lesage government. The allowances referred to in last night's budget will be paid to all people who qualify for them.

[*Translation*]

Mr. Pigeon: Mr. Speaker, I wish to direct a supplementary question to the Minister of Finance. In view of his excellent relations with the premier of the province of Quebec, can he ask the latter not to act in the way he did at the time of the $10 increase to pensioners?

[*Text*]

Mr. Gordon: Mr. Speaker, I thank the hon. member for underlining the excellent relationships that prevail between this government and the government of the province of Quebec—

[Mr. Rheaume.]

Some hon. Members: Oh, oh.

Mr. Gordon: —and I will do everything possible to see that those relationships are maintained.

INQUIRY AS TO BREAKDOWN OF SALES TAX REVENUE

On the orders of the day:

Mr. D. V. Pugh (Okanagan Boundary): Mr. Speaker, I should like to direct a question to the Minister of Finance. Does the Department of Finance keep figures on the revenue that has accrued to the crown as a result of sales tax introduced in the 1963 budget and, in particular, is there a breakdown—

Some hon. Members: Order.

Mr. Pugh: A simple yes or no will do. Is there a breakdown showing the amount received from the lumber industry and the building suppliers throughout Canada?

Mr. Speaker: Order. That is a question for the order paper.

Mr. Pugh: With respect, Mr. Speaker—

Mr. Speaker: Order. The hon. member certainly cannot expect the minister to answer a detailed question like that without notice.

Mr. Pugh: With respect, Mr. Speaker, it requires a straight answer, yes or no. Does he keep figures?

POST OFFICE DEPARTMENT

USE OF MAILS FOR DISSEMINATION OF RACIAL DISCRIMINATION LITERATURE

On the orders of the day:

Hon. J. R. Nicholson (Postmaster General): Mr. Speaker, on Friday last the right hon. Leader of the Opposition asked me two questions. I assured him that I would answer them as soon as possible. He asked if I had any information about a certain postal box, namely box 22, station E, Toronto 4. He inquired whether that particular box had been brought to my attention and whether it had been closed. I told him that I had received information on the subject from a member of the press gallery, but I was not sure whether it was the same box.

I have since confirmed that the box mentioned by my right hon. friend is the same one that had been brought to my attention by the gentleman in the gallery. Our investigations show that box 22 was rented in 1961 to a senior citizen in Toronto, who furnished excellent references to the postal authorities. The only suggestion that the box in question may have been used for other than legitimate purposes has come from the member of the press gallery and from my right hon. friend. No information has been brought to

the attention of the postal authorities which would justify closing or interfering with the use of the box in question by the gentleman who rented it and who has been using it for the past three years.

On the same subject, Mr. Speaker, may I say that in the course of their investigations the postal authorities in Toronto learned some days ago that, in addition to postal box 431, which was closed on January 13, and the box in St. Catharines which I mentioned earlier, the 19 year old youth to whom I referred last week in answer to a question put by the right hon. Leader of the Opposition had leased a third postal box in Toronto, and it also has been used for the distribution of this objectionable literature. That box also was closed some days ago.

AIR TRANSPORT

SUBMISSION BY MANITOBA RESPECTING NATIONAL POLICY

On the orders of the day:

Mr. S. J. Enns (Portage-Neepawa): Mr. Speaker, my question is to the Minister of Transport. It arises out of a similar question asked by the hon. member for Winnipeg South about a week ago today regarding a submission from the Manitoba government in respect to a national air policy. Will the minister assure the house that the province will be consulted prior to the finalizing of a national air policy for Canada?

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, I do not think this is a matter about which one would expect to have a federal-provincial conference, but I would naturally be interested to have the views of any provincial government or those of any other interested person who has any views on the appropriate national air policy for our country. I assure the hon. member that I wrote to Mr. Evans after reading his submission and asked for some more copies, so it would be sure to be studied thoroughly by all those concerned with the devising of any amendments that may be required to the air policy.

AGRICULTURE

DIELDRIN—USE AS GRASSHOPPER SPRAY

On the orders of the day:

Mr. C. O. Cooper (Rosetown-Biggar): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. It refers to the use of dieldrin as a grasshopper spray on cereal crops. Since I asked the question last session Manitoba has abandoned the use of dieldrin. Has the minister received any report from the people concerned with the Food and Drugs Act as to the effects of this dangerous poison on human beings as well as on cattle?

Mr. Speaker: Order. I must intervene here. This type of question demands a detailed answer, which I believe could better be given on the order paper.

NORTHERN AFFAIRS

INQUIRY AS TO AMENDMENT OF YUKON QUARTZ MINING ACT

On the orders of the day:

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, I have a question for the Minister of Northern Affairs and National Resources. Could the minister inform the house when the amendments to the Yukon Quartz Mining Act, designed to stimulate prospecting and pending now for over a year, will be brought before the house?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, we have some hope that they will be brought before the house this session.

BUSINESS OF THE HOUSE

SUGGESTED POSTPONEMENT OF DEBATE ON BUDGET

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, my question is for the Prime Minister, and it is based on the hope which he expressed yesterday that the bill respecting the Canada pension plan might receive second reading and be sent to a parliamentary committee before the Easter recess. My question is, will the government consider postponing either all or part of the six day budget debate until after the Easter recess, so we can get some pieces of legislation such as the Canada pension plan and one or two other items through before the Easter recess?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, it is still possible, I hope, for this house to deal with the resolution and second reading of the bill respecting the Canada pension plan and at the same time have at least half the budget debate and dispose of the amendments before the Easter recess.

[*Translation*]

Mr. Gilles Gregoire (Lapointe): A supplementary question, Mr. Speaker. Does the Prime Minister intend to press for the passing of the bill concerning the Canada pension plan before the Quebec legislative assembly has the opportunity to introduce its own pension plan?

[*Text*]

Mr. Pearson: Mr. Speaker, it is our intention to get the bill before a parliamentary committee with the least possible delay.

BRIDGES

THREE RIVERS, QUE.—MEETING WITH QUEBEC MINISTER

On the orders of the day:

Hon. Leon Balcer (Three Rivers): Mr. Speaker, I should like to ask the Minister of Transport if he has anything to report on the matter of the bridge at Three Rivers following his meeting with the minister of highways of Quebec yesterday.

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, I have been advised that the Lea report will be available in a very few days, probably this week, and I so informed the minister of highways when I saw him yesterday.

NATIONAL DEFENCE

QUEBEC—REPORTED REMOVAL OF GUNS FROM CITADEL

On the orders of the day:

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, yesterday the right hon. Leader of the Opposition, basing his question on an article appearing in *Le Petit Journal*, asked if it was true that a group of machine guns had been removed from La Citadelle, Quebec city. I am now in a position to confirm my original answer to the effect that the report is incorrect, and that no weapons have been withdrawn from La Citadelle.

AIRPORTS

CALGARY—DANGER FROM PROPOSED RADIO TOWERS

On the orders of the day:

Mr. Erik Nielsen (Yukon): Before asking my question, Mr. Speaker, I think it only fair to point out that the question period started at twenty minutes to four and has lasted 45 minutes now. My question is to the Minister of Transport. It is based on proposals of the C.B.C. or the board of broadcast governors to construct radio transmission towers 473 feet high south of the Calgary international airport at Shepard. Has the minister received representations from general aviation associations in the area, and is it his intention to convene an inquiry on the basis of the individual assessment that he discussed with these associations in order to determine the hazard presented to general aviation by these towers?

[Mr. Gregoire.]

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

Mr. Nielsen: With respect, Mr. Speaker, this question is urgent.

Some hon. Members: Sit down.

Mr. Speaker: Order. I fail to see the urgency. The hon. member for Lapointe.

Mr. Nielsen: On a question of privilege, Mr. Speaker, I rose to ask the minister a question concerning the safety of general aviation in this country. The construction of towers almost 500 feet high, which might be proceeding any day or at any moment now, is in my opinion an urgent matter, since in the last 18 months 14 lives have been lost in accidents through flyers striking cables and towers. I am sure the minister has an answer prepared for my question, and the aviation industry is very interested in hearing about the safety measures that he proposes to take.

Mr. Speaker: I am afraid I do not see any point of order there. The question the hon. member has asked requires a considered reply, and the minister is entitled to take sufficient time to prepare that considered reply.

Mr. Nielsen: I wonder whether the minister might be allowed to answer for himself and say whether he is going to hear the representatives of the aviation associations concerned.

Some hon. Members: Order.

Mr. Speaker: The hon. member for Lapointe.

INQUIRY OF THE MINISTRY

On the orders of the day:

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I should like to direct a question to the right hon. Prime Minister. Is he aware that the Minister without Portfolio (Mr. Dupuis) has been criticized by the minister of municipal affairs of the province of Quebec? Does he intend to reprimand his colleague accordingly?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I am only aware of the fact that my hon. friend has asked another improper question.

PUBLICATIONS

SPONSORSHIP OF MOTION ON ORDER PAPER

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I should like to ask the Prime

Minister a question relating to the business of the house. When the motion regarding Canadian periodicals was tabled it was in the Prime Minister's name, and today it is under the name of the Minister of Finance. I wonder whether there is any significance in the change, or what significance there was in the original intention of having the Prime Minister sponsor the motion?

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker, there is no significance at all. If this matter is dealt with apart from the budget I will deal with it; if it is decided in the budget the Minister of Finance will deal with it.

Mr. Fisher: A supplementary question, Mr. Speaker. Could the Prime Minister explain more fully his comment about it being decided in the budget?

Mr. Pearson: I do not think I can explain it at this time. I will try to make it quite clear to my hon. friend on an appropriate occasion.

INDUSTRY

INQUIRY AS TO LOCATION IN DESIGNATED AREAS

On the orders of the day:

[*Translation*]

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, I should like to put a question to the Minister of Industry and Minister of Defence Production. Could he tell us whether some progress has been made concerning the setting up of industries in designated areas in the near future?

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, we had a good deal of success concerning the setting up of new industries in several designated areas. A rather long report would be necessary to describe in detail what has been done, but I can assure the hon. member that our efforts have been successful.

[*Text*]

PUBLIC SERVICE

EMPLOYMENT OF FRENCH CANADIANS—REPORTED STATEMENT OF JUSTICE MINISTER

On the orders of the day:

Mr. Speaker: Orders of the day.

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I have a question.

Mr. Speaker: I do not want to shut off any hon. member, but is the question really urgent?

Mr. Pigeon: It is an urgent question.

[*Translation*]

Mr. Speaker, I should like to direct a question to the Minister of Justice. In view of the fact that in Toronto on March 5 he stated that French Canadians, because of their situation in the federal administration, were frustrated, as the minister responsible for justice, what steps—

Some hon. Members: Order.

Mr. Pigeon: Mr. Speaker, on a point of order. I find it impossible to ask my question with the noise the hon. member without portfolio is making.

[*Text*]

Mr. Speaker: Order, please. I heard the hon. gentleman. The question is for the order paper.

[*Translation*]

Mr. Pigeon: Mr. Speaker, I repeat my question. In view of the fact that in Toronto on March 5 the Minister of Justice stated that French Canadians were frustrated because of their situation in the federal administration, as the minister responsible for justice what steps does he intend to recommend in order to remedy that situation he finds unfair?

[*Text*]

Mr. Speaker: This question is out of order.

Mr. Pigeon: On a point of order, Mr. Speaker, the minister is ready to answer my question.

Mr. Speaker: I must inform the hon. member that two wrongs do not make a right, and if his question is not in order then the minister is not called upon to reply.

[*Translation*]

Mr. Pigeon: Mr. Speaker, I rise on a question of privilege.

I put a question to the Minister of Justice who is now ready to give me an answer.

I would ask Your Honour to allow the Minister of Justice to answer my question.

[*Text*]

Some hon. Members: Order.

Mr. Speaker: Orders of the day.

PENSIONS

PROVISION FOR ESTABLISHMENT OF CONTRIBUTORY PROGRAM

Hon. Judy V. LaMarsh (Minister of National Health and Welfare) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure, to be known as the Canada pension plan, to establish a comprehensive program of old age pensions in Canada payable to contributors, and to provide,

among other things, for the payment of retirement pensions beginning at any age between 65 and 70 years; for the payment of pensions to surviving spouses beginning at any age from 65 years; for the progressive establishment of full pensions over an initial period of ten years; for the co-ordination of pensions payable under the Old Age Security Act with pensions payable under the Canada pension plan and for the payment of adjusted pensions under the Old Age Security Act beginning at any age from 65 years; and to provide further that all expenditures under the Canada pension plan, including costs of administration, shall be financed from contributions by employees, employers and self employed persons.

Motion agreed to and the house went into committee, Mr. Lamoureux in the chair.

Miss LaMarsh: Mr. Chairman, I am pleased today to have the opportunity, even at this late hour, to introduce into this house a resolution proposing the introduction of a comprehensive system of contributory retirement pensions, the Canada pension plan. Hon. members will recall that a resolution very similar to this one was introduced into the house in July of last year. At the time of its introduction I tabled and the house ordered printed in *Hansard*, a so-called white paper, which was the scheme of the bill to be introduced, couched in non-legal language. This was provided in order to assist members in ready comprehension of this highly technical matter. It served also to provide a basis for discussion with provincial governments.

Those discussions began at the end of July. They were continued at a conference with provincial ministers and their technical advisers early in September last. There were further technical discussions at the official level with Ontario and Quebec. And then, at the full federal-provincial conference last November, there was a long discussion of the government's plans with the premiers of the provinces, under the chairmanship of the Prime Minister.

In addition, during the eight months since the introduction of the 1963 resolution, the Canada pension plan has been exhaustively discussed by interested groups across the country. Much of this discussion has found its way into the public press. There can be very few occasions when the intentions of a government have been so fully discussed prior to the introduction of the actual legislation into parliament. Our proposals have produced wide interest and, I think, increasingly favourable support. Members will have noted the three tabled returns made in response to motion Nos. 84, 88 and 105 which comprise more than 700 folios of correspondence on the subject. Many members will also be aware that important national organizations, such as the Canadian Federation of Agriculture, the National Farmers Union and the Canadian Labour Congress, have expressed themselves in favour of the pension plan.

The wide discussion of pensions has been welcomed by the government, for our hope is to produce the best possible retirement plan for Canadians generally.

Since the second world war, private pension schemes have burgeoned in Canada. Some of these schemes were designed and paid for entirely by management, but many of the biggest were the product of labour negotiation and are considered a part of the wage package. It is now estimated that approximately 1,800,000 Canadian workers have some type of private pension arrangements.

These schemes are making an important contribution to improved security. But it also soon became apparent that those who are not covered by private schemes, and those who worked through the depression years when they could make at best only meagre provision for their own retirement, were facing an increasingly difficult future. This gave impetus to a study in parliament as to the action which ought to be taken to provide elderly Canadian citizens with some measure to meet their retirement needs. A joint committee of both houses exhaustively explored the available alternatives and concluded by recommending that a pension payment of $40 per month should be made to every person who attained the age of 70. Since this is taxable income, those with substantially greater incomes return part through taxation.

In order to effect this major departure, permission for a constitutional amendment had to be sought from the provinces. It was obtained and pensions thus became a field of concurrent federal-provincial jurisdiction.

The $40, as everyone in the chamber knows, has been increased, most recently by this parliament to $75. It is surely now apparent that we must seek an additional approach if we are to achieve the goal of providing real retirement benefits for Canadian workers. As the amount of the old age security, sometimes called the flat rate pension, has risen, its limitations have become more apparent. In some parts of Canada, the aged parents in a family receive more cash income than is brought to the family financial pot by the family breadwinner. In low-income, low-cost areas, the retirement benefit seems relatively large. At the same time, at the other end of the scale, no matter what reasonable increase may be legislated, by this or successive parliaments, it is never enough to provide an adequate subsistence for the aged, who have no other resources in the high cost urban areas where more and more of them live. There is, therefore, increasing public awareness that our retirement

programs are not good enough for the present, much less sufficient to give us pride, and provide comfort for the aged, for the future.

The Canada pension plan was devised for the present and for the future. Very shortly after it comes into operation it will begin to pay pensions, modest at first, but building over a 10-year period of transition. We could not meet social needs by stretching out the period of transition appreciably beyond 10 years, as some have suggested.

The way in which this parliament is asked to provide modestly adequate pensions, available as widely as possible through the aegis of the Canada pension plan, is before the house in the terms of the resolution. Briefly, and avoiding detail as far as possible because it is outside the scope of debate on the resolution, the Canada pension plan provides a modest but adequate retirement pension related to the income earned over the contributor's working life. It is a two-part scheme integrating the new pension with the existing universal flat-rate old age security pension.

In order to ensure a constant dollar value at retirement, the ceiling on pensionable earnings will rise as average wages rise. This of course will mean an increased flow of contributions, at the same percentage rate, and an increased amount payable for benefits.

The Canada pension plan calls for compulsory participation by employees and for voluntary participation by the self employed. It is open to all whom we can administratively cover, within participating provinces. The employee will pay annually 1 per cent of the first $4,500 of his pensionable earnings. That contribution will be matched by his employer. This initial low rate will continue in force for 15 years, followed by a gradual increase over the years. Foreseeably the rate will rise to 2 per cent, but that is 50 years away.

To translate this into understandable terms, John Jones, an employee, making $2,500 per year will pay $25 a year; his employer will pay the same. His brother Tom, who is self employed, will pay $50 annually. No one can pay more than $90 a year and those are only the self employed at the top level of $4,500 per year of pensionable earnings.

What then will the pensioner receive and when? He or she may decide to begin to draw the pension at age 70, or if retired, at any time after age 65. Initially, commencing 1st January, 1966, retired persons of 69 or over may draw pensions if retired. A year later the age will be lowered to 68, and so on until in 1970 any retired person 65 or over may draw his or her pension. The amount of this pension will be made up of two parts, but paid in one cheque. The earnings-related part will be 20 per cent of average pensionable earnings. This will remain constant at whatever age, from 65 on, the pension is drawn.

The other portion of the pension, the flat rate old age security portion, may be drawn at the sum of $51 per month at age 65. It will be somewhat larger for each month that it is postponed, up to the age of 70 when, of course, it will be $75. This is in order to encourage those who wish to, and can, to keep working beyond 65.

While at the resolution stage we are dealing with principle, for greater clarity, I shall cite the example of an employee who has had pensionable earnings of $3,600 per year. He pays $3 a month for his pension. If after the transition stage (of 10 years in which full benefits build up) he retires at age 65, he receives $111 per month or, if he works to age 70, $135 per month for the rest of his life. His wife, although never a contributor, may of course receive her own flat rate pension of between $51 per month at age 65, or $75 per month if she waits until she is 70. It goes without saying that if she herself has been a contributor during her own working years, she will be entitled to her personal income-related pension.

Provision is made for benefits for the widow or widower, age 65 or over, of a deceased pensioner.

These pensions are not intended to be the sole provision for an individual's retirement. There is ample scope, over and above a plan of this scale, for private pension schemes and personal savings and investment. Indeed the effect of such legislation has been in other countries to encourage individuals, who could afford it, to make additional provision for their own future.

This plan is, by its nature, portable throughout participating provinces. Canada-wide portability will also be ensured. The bill does not deal with, nor can this government constitutionally deal with, private existing contractual relationship for pensions between employers and employees. That lies within provincial competence. The spirit of such legislation as that enacted in Ontario and announced in Manitoba is good, we think, providing for portability of private plans.

I do not propose, Mr. Chairman, to deal at length with the financial provisions of this bill. The parliamentary secretary to the Minister of Finance will deal with this in his turn.

However, I would like to refer briefly to the financial and other ways in which the plan proposed in this resolution differs from that of the resolution I moved last July.

The scale of pensions now proposed is 20 per cent of earnings. What we suggested last July was not one scale but a range of benefits dependent upon when the pension began. The pension would have varied from 20 per cent at age 65 to 30 per cent at age 70.

Since the average age at which people retire is about 67½, the average pension, under that proposal, would have been about 25 per cent of earnings. What is now proposed is smaller by one fifth. On average, people will get one fifth less than we previously proposed and, of course, the long term contribution rate required will be correspondingly less.

In the government's view, a plan providing for a range of benefits between 20 per cent and 30 per cent would have had important merits. However, our consultations with the provinces revealed a widespread fear that the original proposal was on a scale which would substantially lessen the incentive for people to save through private pension plans. We recognize that pensions are a field of common jurisdiction for Canada and the provinces, and we therefore felt it to be our duty, as the fruit of genuine consultation, to seek a middle ground between our views and the various views of the provinces. The proposals we now make are the result of that search. I believe they are proposals which will be shown, on careful scrutiny, to be the most generally acceptable.

The other major change in the plan relates to its financial reserves. Any pension plan, public or private, yields substantial reserves in its early years. Eventually, when it reaches maturity, any plan—again, this is true whether it be public or private—becomes in effect pay as you go. That is to say, the income equals the outgo except to the extent to which the plan is growing because the number of new contributors entering exceeds the number who are retiring.

Even with its low, 1 per cent contribution rate, the Canada pension plan will yield substantial reserves for many years. In our July proposal, however, we suggested that much of these reserves—over and above what was needed as a contingencies fund—should be earmarked for a special purpose. That was to absorb the cost of improving the flat rate old age security benefits, and especially the temporary additional cost of making such benefits available before age 70.

That proposal could only have worked if the plan had come into operation in every province. Once the government of Quebec indicated its intention to exercise the right—which, as our legislation will recognize, is the right of any province—to set up a pension plan of its own, we realized our proposed plan could not operate where there was to be a similar, comprehensive provincial plan.

Clearly, that situation made it undesirable to establish any sort of financial link between the new plan and the flat rate federal pension. Therefore the reserves generated under the plan as now proposed will be available for investment in federal and provincial securities. This means that the improvement of old age security will be financed from the old age security fund as now constituted. The offsetting advantage is that, because of the reserves and the interest they earn, the long term cost of the Canada pension plan itself will be lower.

An hon. member, a week or so ago, requested that an up to date white paper, setting forth the scheme of the bill as revised, might again be provided to all hon. members. I am happy to say that a white paper has been prepared and will now be made available in both official languages. I particularly invite hon. members to compare its provisions with those of the July 1963 white paper. It will be seen that the changes, though important in some respects, do not substantially affect the benefits that the plan will make available to the people of Canada.

It is, I believe, generally known that it is the government's intention at the appropriate stage in the proceedings in this chamber to move to refer the bill to a special committee comprised of members of this house and to couple with it an invitation to hon. members of the other place, in order that a joint committee of both houses may explore in detail the provision of the legislation. Such a committee, it is expected, would be anxious to call before it many witnesses to complete the public scrutiny which this plan has undergone now for nearly a year.

At the federal-provincial conference held in Ottawa in November last, the Prime Minister laid down what the government considers the eight essentials for a federal contributory pension plan.

They are:

1. That it be as near universal as administratively practicable, but with provision for voluntary participation.

2. That it apply up to an average level of earnings.

3. That it should in combination with the flat rate benefit, provide pensions which are modestly adequate for those who cannot make other provision for their retirement.

4. That it leave scope for further provision by those who can make it; to this end, keep the disturbance of private plans to the minimum practicable.

Prime Minister Pearson, having first promised public and expert scrutiny of the Canada pension plan, now promises passage of the plan in the current session.

5. Because many who cannot make further provision are now middle aged, it should have a moderately short maturity period.

6. It should make the adequate minimum pensions available from age 65.

7. That it should provide security in real terms by relating pension levels to earnings levels at the time of retirement.

8. That it should provide safeguards which will help to keep the plan on a moderate scale, so that it will not be expanded in benefits without proper regard to future costs and therefore savings.

Those are the essential principles of the Canada pension plan. I believe it will commend itself to the public and to all hon. members, and represent a great new step forward in providing social security for Canadians in their years of retirement from their active working lives.

Mr. Monteith: It seems to me somewhat strange that the minister should have gone into such detail at this stage, giving full particulars of specific cases, and so on. I cannot hope at this stage to deal in specifics, not having had the opportunity to study the hon. lady's statement.

I am pleased to hear that an up to date white paper has been prepared, and I assume this will be made available to members of the house shortly, probably later today. Again, it will not be possible to study this adequately in the time available, presumably over the dinner hour, and I am afraid I shall not be in a position to comment on the details of the particular scheme set out in the white paper.

I was pleased to hear the hon. lady say there is to be a joint committee set up to consider this question. However, I feel the Prime Minister should have reconsidered his position in this regard as of yesterday when he replied to a question addressed to him by myself. At that time I asked whether he would consider sending the bill to committee before it received second reading. His answer was to the effect that he hoped the bill would receive second reading and then go to the committee. We understand that the committee is now to be a joint committee.

I do not feel this is good enough. In a matter as complex and important as a Canada pension plan we need to have the fullest inquiry possible before second reading when the bill itself would be approved. At that point it becomes a matter of political necessity on the part of the government to put the bill through practically unchanged. I feel the Prime Minister should have reconsidered the stand he was taking, and I would recommend to him an article by Mr. John Meyer which appeared in the Montreal *Gazette* of February 24 of this year. This article began as follows:

It goes on to indicate that the Prime Minister has given two impressions as to his feelings in this respect. I feel the right hon. gentleman should read this article with great care because there are other suggestions in it which affect this argument; I do not intend to go into detail now.

I want to impress, first of all, upon the House of Commons and upon the country the fact that the Progressive Conservative party is 100 per cent behind a Canada pension plan. There are no "ifs" "ands" or "buts". Let me make it abundantly clear. We wish to see a comprehensive contributory plan brought in at the earliest opportunity. We want to see the bill, and we want to see it as soon as possible. We are most anxious to have it in our hands so as to give it the close study which even the government concedes it will require. This plan has been widely discussed and written about for many months, as the minister stated, and we in this party feel no further purpose can be served by delaying and arguing over the resolution at this time. We certainly do not intend to hold up the introduction of the bill.

Some hon. Members: Hear, hear.

Mr. Monteith: We want the bill introduced at once so that we can study the plan in great detail and determine to what extent it does or does not provide a good pension for all Canadians.

I wonder if I might call it five o'clock?

The Chairman: It being five o'clock it is my duty to leave the chair in order that the house may proceed with private members' business pursuant to section 3 of standing order 15.

PENSIONS

CANADA PLAN—TABLING OF WHITE PAPER

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): May I have leave to revert to motions, Mr. Speaker?

Some hon. Members: Agreed.

Miss LaMarsh: Before the house proceeds to the next item of business may I have leave to table the document to which I referred during the proceedings in the committee of the whole and ask leave, as well, to have the said document printed as an appendix to today's *Hansard*?

Some hon. Members: Agreed.

Mr. Churchill: Is that the white paper? Is the white paper not available now, prior to this debate continuing?

Miss LaMarsh: I have just tabled that document, and it will be available to all members of the house.

Mr. Churchill: Tomorrow. We shall not see it until tomorrow.

Miss LaMarsh: There are some 500 copies available in the distribution office for any members who seek them.

[*Editor's note: For text of document above referred to, see appendix.*]

BUSINESS OF THE HOUSE

Hon. Guy Favreau (Minister of Justice): May I ask leave of the house to stay with motions for a moment and announce the business of the house for the rest of this week.

There will be no change in the order of business already announced as far as the beginning of the budget debate is concerned. We shall be proceeding with the budget debate tomorrow, Thursday and Friday. On Thursday I shall be in a position to announce final plans for the business of the house next week.

Mr. Knowles: May I ask the house leader a question. When he states that the budget debate will be the order of the day tomorrow, is he aware of a certain notice of motion on the notice paper today which would take priority in tomorrow's business, or have arrangements been made for that?

Mr. Favreau: I am speaking of government business as such. I am aware of that.

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

PRIVATE BILLS

ST. JOHN AMBULANCE ASSOCIATION

Mr. John R. Matheson (Leeds) moved the second reading of Bill S-5, respecting the general council of the Canadian branch of the St. John ambulance association.

He said: Mr. Speaker, I rise to move second reading of Bill S-5, respecting the general council of the Canadian branch of the St. John ambulance association, as passed by the Senate on March 12, 1964. The St. John ambulance association is well known to all hon. members of the house. Honorary presidents include the right hon. Prime Minister of Canada (Mr. Pearson) and the right hon. Leader of the Opposition (Mr. Diefenbaker). The work of the St. John ambulance is familiar to the members of this house. I would refer hon. members to the answer given to question No. 19, as reported on page 511 of *Hansard,* which indicates that the number of our military personnel trained in the last 10 years with St. John ambulance qualifications was something of the order of 155,000. This is a fractional part of their work when you consider what has been done for emergency measures organizations and for civilians generally.

The principal purpose of the bill is to provide the corporation with objects and powers appropriate to the only function it has in fact been fulfilling since 1946, namely, that of a bare trustee for the priory holding title to property beneficially owned by the priory, as more particularly set out in the recitals in the preamble of the bill, and in connection therewith to define the trusts upon which the corporation holds such property. Additional purposes of the bill are to provide a location for the head office of the corporation, to define its membership consistent with its control and direction by the priory, and to change its name to one more appropriate to its functions.

I might point out that the bill has received lengthy study by a special committee set up under the chairmanship of Brigadier G. E. Beament, Q.C., of Ottawa, who will be available at the committee stage. I respectfully ask for unanimous consent that this bill receive second reading.

[*Translation*]

Mr. Guy Marcoux (Quebec-Montmorency): Mr. Speaker, I should like to make a few brief comments concerning Bill S-5, which came to my knowledge only a few minutes ago and for which unfortunately we do not yet have the French version.

Having been a doctor for the St. John ambulance association, as was my father before me, I believe one can only feel proud to have belonged to an organization which has rendered such great services to Canada.

Since, as I have just said, I did not have the time to examine the bill, I suggest we adopt the motion preceding second reading and ask for additional information, if need be, at the committee stage.

[*Text*]

Motion agreed to, bill read the second time and referred to the standing committee on miscellaneous private bills.

TRANS-CANADA AIR LINES ACT

AMENDMENT RESPECTING NAME OF COMPANY—CONCURRENCE IN SENATE AMENDMENT

Mr. Jean Chretien (St. Maurice-Lafleche) moved the second reading of and concurrence in amendments made by the Senate to Bill No. C-2, respecting the Trans-Canada Air Lines Act.

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, on a point of order. I had suggested that I second the motion. Therefore, I wonder why you did not follow my suggestion.

Mr. Deputy Speaker: The hon. member will agree that he is raising the point rather late, as I had already recognized the hon. member for Shelburne-Yarmouth-Clare (Mr. Armstrong).

Mr. Pigeon: But I did say "seconded by Pigeon".

[*Text*]

Motion agreed to, amendments read the second time and concurred in.

DIVORCE

MEASURE TO MODERNIZE DISSOLUTION AND ANNULMENT OF MARRIAGE

On the order: Public bills:

Second reading of Bill C-5, an act to provide in Canada for the dissolution and the annulment of marriage—Mr. Peters.

Mr. Knowles: Stand.

Mr. Deputy Speaker: Stand at the request of the government.

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I realize that it is a little late perhaps to rise on a point of order, but I wish to call your attention to the fact that although we asked for a French version of Bill S-2 moved by the hon. member for St. Maurice-Lafleche (Mr. Chretien), I have just been informed that there are no French copies of that bill. I wonder what the government means by full bilingualism?

Mr. Deputy Speaker: I am informed that the French version of the amendments appear on page 96 of the *Votes and Proceedings* of March 13.

Mr. Pigeon: Mr. Speaker, when a bill comes back to this house after amendments have been moved at the other place, is it not usual to have the bill printed in both languages?

Mr. Deputy Speaker: No, it is not.

[*Text*]

PUBLIC SERVICE

MEASURE TO ESTABLISH OFFICE OF PARLIAMENTARY COMMISSIONER

Mr. R. N. Thompson (Red Deer) moved the second reading of Bill No. C-7, to establish the office of parliamentary commissioner.

Office of Parliamentary Commissioner

He said: Mr. Speaker, this bill to establish the office of a parliamentary commissioner is basically the same as the bill presented last year under the number of C-19 and which was disallowed by Your Honour because it incurred the expenditure of public funds. It is also similar to a bill presented the year before known as Bill No. C-98. The adjustments which have been made to this bill, Bill No. C-7, are such that there can be no question about its demanding the expenditure of public money.

My reasons for introducing this bill are twofold. First of all, I am personally familiar with the working of the Scandinavian ombudsman which has operated in Sweden for 150 years, and I have likewise had the opportunity of studying the operations of the New Zealand ombudsman. In fact, it is my privilege to know the New Zealand ombudsman personally. I am convinced of the value of such an office and believe that we urgently need such a set-up in Canada.

Second, the tremendous expansion of administrative authority, giving vast power to the executive side of government, has resulted in an ever increasing number of tribunals and agencies carrying with them authority over the person or property of the private citizen. As a result, citizens very often having legitimate complaints regarding administrative injustices too often find themselves unable to speak out about them. The courts in Canada are no longer the bulwark of individual rights, since much of the common law has lost its flexibility. The office of ombudsman is intended to be the protector of such individual rights. He may be called, in English, as we have entitled him in this bill, a parliamentary commissioner, although actually his responsibilities are those of a public defender.

It is evident to me that the existing protection of the average citizen against executive power is rapidly becoming inadequate. In my opinion such an office would keep watch over the way in which government officials apply the laws and regulations to the public, and would investigate the complaints of private citizens against such officials. He would not have power to overrule, but would be in a strong position to suggest that injustices be corrected. He would report directly to parliament annually. When this report is presented to parliament, the session of the parliamentary committee concerned would be open to all persons, private and public. Actually the status of an ombudsman, or parliamentary commissioner, would be that of a high court judge and would have the powers of a commissioner under the Inquiries Act.

Office of Parliamentary Commissioner

The first ombudsman as such originated in Sweden and is found provided for in article 86 of the Swedish constitution of 1809. The decision to include this office in the constitution came immediately following 37 years of absolute monarchy. There had been a *coup d'état;* the king had been deposed, parliament had taken over and it was parliament which forced through this new provision. The ombudsman was one of the powers of control imposed on the new administration. No one knows exactly who had the original idea when the ombudsman was first provided for in the Swedish constitution. However, the principle was not new in Sweden, for there had been a similar position in existence as early as 1713, when Charles XII, known as the madman of the north, ruled that country. This position was then named the king's chancellor of justice. In Sweden there are two ombudsmen, one for civil and one for military affairs. Their legal position compares with that of a public prosecutor. The civil ombudsman is appointed for four years by a special committee of 45 members. Regulations briefly classify the duty of an ombudsman as concerned with, "error which comes from partiality; dereliction of duty; mistakes by government administration, or other situations created contrary to the rights of a citizen".

Probably one of the best authorities we have in Canada is Professor Donald Rowat of Carleton University. He states, in a paper published by the Canadian Journal of Economics and Political Science:

> The ombudsman in the Nordic countries is a special parliamentary commissioner whose job is to receive complaints from citizens who are aggrieved by official action, to investigate these complaints and, if he finds they are justified, to seek a remedy. He may also conduct inspections and take up cases on his own initiative. He is appointed by and responsible to parliament, reports annually to a special committee of the house, and is entirely independent of the executive.

New Zealand passed legislation providing for an ombudsman in 1962; Finland has had such an office since 1919; Denmark since 1955, and Norway since 1962. The British society of jurists recently recommended, in its Wyatt report, an ombudsman for the United Kingdom. Likewise there is much talk of such an office being established in the United States, both federally and in some of the states; also in Ireland, Holland and India. It should be of special interest to us in this house that in the speeches from the throne in two of our provinces, namely Saskatchewan and Nova Scotia, it was stated that those provinces were intending to establish a provincial ombudsman.

There are a number of countries with appointments or committees holding similar authority and responsibility. I will just briefly outline these to emphasize the fact that all over the world there is much talk and consideration given to the establishment of a permanent office such as we are suggesting in this bill. There is the procreator of justice in the Soviet union; the presidential complaints committee in the Philippines; in Japan there is the bureau of civil liberties, with commissioners in every district throughout the whole country whose purpose is to do exactly what we are talking about; in western Europe there is the European committee of human rights; there is the inspector general of the United States army, who performs similar duties to those of the military ombudsman in Sweden. In a sense our Auditor General carries parallel responsibilities in Canada, but they relate only to financial matters.

The rapid expansion of the civil service and the extension of administrative authority demands a means of protection for the individual; in fact, such protection of civil liberties has not kept pace with the growth of bureaucracy. In this regard Professor H. W. R. Wade has said:

> The state has seized the initiative, and has put upon itself all kinds of new duties. In order to carry out so many schemes of social service and control, powerful engines of authority have to be set in motion. To prevent them running amok there must be constant control, both political and legal. Ultimately the political control rests with parliament, though in reality much power is in the hands of ministers and officials. The legal control is the task of the courts of law.

Professor Rowat has probably summarized the need for a Canadian ombudsman in a more concise way than anyone who has yet written about it in Canada. He says there are basically six reasons why an ombudsman is required at the present time. First, administration procedure in Canada is not adequately regulated to uniformly guarantee the basic civil liberties of our citizens, neither federally nor provincially. Second, Canada's appeal system is very limited; rarely is there proper provision for appeal, which is in marked contrast with most of the countries of western Europe. There are exceptions, such as the tax appeal board; but this is the exception rather than the rule. Third, the opportunity for the courts to review administrative decisions is inadequate in Canada. The procedure to bring a case before the courts is complicated, slow and costly. Fourth, parliament is limited in the extent to which it can control administration from the citizen's point of view. Parliament is by tradition partisan, and besides this the provision for members of parliament to protect or represent the rights of the citizens is entirely inadequate.

Probably one of the outstanding examples of this relates to a member of this house and one of his constituents by the name of Gordon Knott, who had been discharged without explanation from the navy. All of us here remember this case. Through much work by that member of parliament it was discovered that this man had been dismissed because his uncle was supposed to be a communist, but when a check was made it was found that this communist, so-called, uncle was not even a relative of this young lad and that he had been discharged by reason of an alleged fact which in truth did not exist at all. Had there been an ombudsman at that time it would have been possible for this young man to have had much earlier and effective justice. The reason for such situations arising is simply that in many cases members of parliament are not able to discharge this type of responsibility in the way that is necessary, and as it could be done if we had an ombudsman.

The fifth point that Professor Rowatt makes is that provision for legal aid to those who may need the assistance of the courts is very poor in Canada and that most democratic countries are far ahead of our country in this regard. The sixth point he makes is that psychologically it is most important for our citizens to know that they have protection from bureaucratic injustices and error. In this way a parliamentary commissioner or ombudsman comes to be regarded as the defender of the civil rights of individuals.

In this regard the New Zealand ombudsman, Sir Guy Powles, told me last September that his actual presence had done much to influence and temper the attitude with which bureaucrats dealt with John Doe, citizen. In fact, he thought this was his most important single function. We find that the demand for an ombudsman is general throughout our entire country, and the demand becomes even greater as the effectiveness of such offices already in existence continues to be proved.

In a recent Canadian Press dispatch we find a report on the first year of operations of the ombudsman in New Zealand. The article summarizes the operations as follows:

> After a year of operation, the office of ombudsman in New Zealand is widely held to have proved itself justified—
>
> The government is so satisfied with the first year's experience that it is reviewing the legislation on the subject with a view to extending the ombudsman's powers. The ombudsman himself, Sir Guy Powles, maintains that his inquiries have vindicated the public service against charges often made against it. "There have been mistakes, carelessness, delay, rigidity, and perhaps heartlessness, but nothing really sinful," he says. He had found no evidence of corruption or moral obliquity.
>
> During the year, 776 complaints were submitted to the ombudsman. Many were outside his jurisdiction because he does not operate where normal grounds of appeal remain and he hasn't got powers to inquire into the activities of local bodies or other semi-public organizations.
>
> After investigation, 54 complaints were held to have been justified. About half of these were immediately rectified by the departments or agencies concerned as soon as the matters were brought to their notice.
>
> Anybody can make a complaint to the ombudsman simply by forwarding a fee of £1 and written submissions. There are no formal rules or elaborate forms. Initial investigations are made simply on the case made out by people in their own words.

All the statements made in this Canadian Press report are borne out in the first annual report which the New Zealand ombudsman submitted to parliament there a few months ago. I would say that in Canada the demand for such a position has increased greatly during the last year. In fact, the Glassco royal commission recommended that such an office be established. The Alberta section of the Canadian Bar Association has submitted a very substantial report requesting that such an office be established in Alberta. Only last week in this house, on March 9, the Leader of the Opposition (Mr. Diefenbaker) expressed himself as being in favour of such an office being established. Many newspaper editorials have also expressed support.

The evidence in support of the need of such an office is certainly becoming voluminous. I should like to put on the record another statement by Professor Donald Rowatt which I think sums up the situation rather well. I am again quoting from a reprint from The Canadian Journal of Economics and Political Science where we find that Professor Rowatt says:

> Briefly stated, the argument for the ombudsman scheme derives from the fact that all democratic countries in the 20th century have experienced a shift from the laissez-faire to the positive state. The accompanying tremendous growth in the range and complexity of government activities has brought with it the need to grant increasing powers of discretion to the executive side of government; and as Dicey has warned us, "Wherever there is discretion, there is room for arbitrariness." It is quite possible nowadays for a citizen's rights to be accidentally crushed by the vast juggernaut of the government's administrative machine. In this age of the welfare state, thousands of administrative decisions are made each year by governments or their agencies, many of them by lowly officials; and if some of these decisions are arbitrary or unjustified, there is no easy way for the ordinary citizen to gain redress.

Thus as we consider this very important office which the bill proposes to establish I think that we in parliament have a very definite responsibility as the representatives of the people who put us here to make sure that their individual rights are safeguarded in every possible way. With this in mind I submit the bill to the house with the hope that it will receive favourable consideration

and at the end of this brief period of debate may be referred to the appropriate committee for further study and consideration.

[*Translation*]

Mr. Jean Chretien (St. Maurice-Lafleche): Mr. Speaker, may I, first of all, congratulate the hon. member for Red Deer (Mr. Thompson) for the excellent legislation he just submitted to the house.

The position of parliamentary commissioner, which in Swedish is called "ombudsman"—defender of the people—seems particularly appropriate at this time in the federal administration.

At present, there are 21 government departments, 40 crown corporations and several boards with which taxpayers often have to deal.

Undeniably, if a person sincerely feels that an administrative decision is unfair to him, he will be confused, will not know what to do and will lose the benefit of a right to which he is entitled. In view of the constant expansion of public powers in Canada over a number of years, laws are often arbitrarily administered at all levels of government. Sometimes, we, the elected representatives of the people, are unable to help our constituents claim their rights because we fail to break through the solidarity of various groups of officials.

The ordinary citizen, therefore, needs extra protection which he can no longer get from ordinary courts.

Furthermore, when the taxpayer does resort to judiciary procedures available to him, these are more likely to be too slow and surely too expensive. Some people feel that it is not necessary to provide the services of an ombudsman to citizens whose rights have been encroached upon by the government. They maintain that members of parliament are already providing this service to the electors, either when they take up complaints personally with the responsible minister or when they ask questions in the house in this connection.

Nevertheless, Mr. Speaker, when the case of this young sailor, Gordon Knott, came up during the last session, I was particularly impressed by the unfair treatment which he had received as a result of administrative decisions which are sometimes too arbitrary.

We find out, time and again when discussing with some of our constituents who often have to deal with officials of important federal departments, that they run into arrogance and indifference, because those officials are often appointed for life and they do not care about the rights of the individual as long as they, the permanent civil servants, are right.

I must say that on several occasions, I was really put out when I met with rebuffs on behalf of my constituents.

I am convinced that a completely independent office should be set up so as to enable any citizen, in any constituency, to assert his claims and to obtain justice when he is wronged and even when he feels that an administrative decision encroaches upon his rights.

I should like once again to congratulate the sponsor of this bill, and I hope that it will be fully looked into in the near future so that we may enable our constituents to assert their claims before a proper organization in our country where government authority is ever expanding and where we have an ever increasing number of agencies. The present situation should also be corrected, because when a member of parliament submits the claims of his constituents, he often has to put up with the arrogance of officials who think we are only trying to protect our own interests.

I am convinced that the office of ombudsman is urgently needed, and I shall be very pleased to vote in favour of this motion when it is considered in committee.

[*Text*]

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I should like to take this opportunity of adding my support for the bill that has been presented by the hon. member for Red Deer (Mr. Thompson). I fully agree with the principle involved, and I think probably the majority of the members of this house do. The hon. member for Red Deer has advanced a number of cogent reasons for the necessity of instituting this office. There are one or two other additional ideas which I should like to present at this time.

I think everyone is familiar with the enormous growth of government, in all its administrative branches, which has spread into virtually every form of our existence during the last 25 years. The need for this office now has been pointed out particularly in another context—

[*Translation*]

Mr. Frenette: Mr. Speaker, I am sorry to interrupt the hon. member who now has the floor but the French interpretation system does not seem to be operating properly. As I am interested in the debate, I would like to be able to follow the arguments of the hon. member on the matter under consideration at present.

[*Text*]

Mr. Deputy Speaker: We will have the trouble seen to immediately. Perhaps the hon.

member might wait just a few seconds. The latest report is that things are now under control.

[*Translation*]

Mr. Frenette: The French interpreting system is now operating properly, Mr. Speaker.

[*Text*]

Mr. Nesbitt: I am glad to hear that, Your Honour.

One thing that is particularly important is the fact that at the moment if the ordinary citizen feels aggrieved by some administrative act of government, he or she does not know to whom to go. Reference was made to this fact in another debate by the hon. member for Parry Sound-Muskoka (Mr. Aiken), and I think his remarks in that regard are worthy of attention. In large metropolitan areas such as Toronto, Montreal and Vancouver, this government has a number of offices to which a person can go, not necessarily with regard to complaints, but to secure information. In the smaller cities and rural areas, the only person to whom a citizen can turn is the member of parliament. The citizen often tries to find out from a member how to do certain things such as fill forms for old age pensions, and the like.

However, when it comes to a complaint, about which we are particularly concerned at this time, even in the metropolitan areas there is no one to whom the ordinary citizens can go except the member of parliament. After the member of parliament gets the complaints, he can go to the government offices in Ottawa and ask for redress. There may or may not be redress depending upon the caprice or whim, in most cases, of a senior civil servant or the minister concerned, if the minister has any discretion at all. Many of our regulations are so rigid that there is no discretion. I know it can be argued that it is not wise to give a minister or deputy minister too much discretion because it might be exercised in a political way. I would agree that there is some merit in that argument. On the other hand, if no discretion at all is granted, citizens of our country are often exposed to all sorts of arbitrary, heartless and even thoughtless penalties which are not necessary.

As has been pointed out, other countries have introduced remedies for this situation. I refer to countries like the Scandinavian countries and New Zealand. I think it would be an excellent thing if this institution were brought into effect in Canada.

Another thing which I feel is important is the fact that since the only avenue for any redress of an administrative wrong is a member of parliament, this certainly interferes with the duties of a member of parliament. As I understand it, a member of parliament was never intended to be a sort of service club, welfare officer and the like. This is what a member of parliament has become because citizens have no other way of bringing their complaints to the foot of the throne, so to speak. Perhaps one of the reasons for a great deal of criticism of the parliamentary system in the last few years is the fact that about 40 per cent of a member's time is taken up in dealing with individual problems and grievances. I have spoken to many of my colleagues and I know they spend a great deal of time doing this work because there is no other person to do it. As a result, a member is severely restricted in using time which should be properly spent on legislative matters, and other matters which are really the proper concern of a member of parliament.

I feel that many members of parliament do not get the proper amount of time to do some of our homework for committees and in many other fields, which is our proper function. This office of ombudsman or commissioner, whatever you might want to call it, would be a great help to the institution of parliament.

I do not want to take up too much time as I know others wish to speak on this subject, but in conclusion I want to give an example of the type of arbitrary behaviour which can take place and which I am sure an ombudsman would remedy. I referred to this example previously, and I think it is a particularly good one.

In my city of Woodstock, Ontario, an elderly lady fell down the post office steps and injured herself. A representative of the department concerned, the Department of Public Works, came to her and admitted the steps were slippery. He told her to sign a paper and that she would receive consideration for her complaint. She signed the paper in good faith, believing she would receive redress of some sort.

When I brought up the matter with the department we were told, in a very cold letter, that since the lady had not properly laid her complaint within seven days with the Attorney General of Canada she was out of luck. This is a good example of where an official at a fairly low level in a department enticed somebody into signing a statement which barred that person from further complaint, and I believe this is one of the things which an ombudsman could help redress. I hope every consideration will be

given by the government to instituting a measure of this kind, either now or some time in the immediate future.

Mr. R. W. Prittie (Burnaby-Richmond): Mr. Speaker, the members of this party are in agreement with the principle of the bill. At our party convention in Regina last summer we adopted a resolution along these lines, and I would remind the house that the hon. member for Port Arthur (Mr. Fisher) has a resolution dealing with the same subject on the order paper, and which will come up for discussion later this session.

It is almost trite to say that the government has become very big, but this is necessary in a complex society. Not only has the government become big, but private companies and corporations have also grown very large. We sometimes hear the words "bureaucracy" and "bureaucrat" used in a derogatory sense, but this is something we cannot get away from, because the complex society in which we live demands this bigness.

A bill similar to this one was introduced by a private member in the British Columbia legislature but was rejected. I noted that when the attorney general of British Columbia spoke on that bill he said no ombudsman was necessary in the province because every elected member of the legislature was an ombudsman. But quite apart from the problem created by the lapse of time, such as was mentioned by the hon. member for Oxford (Mr. Nesbitt), other problems arise. For example, in the British Columbia legislature they do not have an oral question period on orders of the day. That method of questioning ministers is not open to the members, and further, the ministers quite frequently do not answer the questions which are placed on the order paper. This can happen here also. We do have the opportunity to put questions on the order paper but ministers are not required to answer and many of them die on the order paper at the end of the session. Therefore there are certain obstacles to the effectiveness of members of this house or members of a provincial legislature acting as ombudsmen.

I think we all sympathize with the points of view put forward by the hon. member for Oxford, but I imagine that even if we had two or three ombudsmen we, as private members, should still get letters of complaint and would have to spend a certain amount of time dealing with the complaints in them.

A few cases have come to my attention which I think show the need for an ombudsman, or someone with special powers, to investigate government departments. One constituent of mine has a complaint which goes back over seven years. There is only a matter of some $70 involved, but his feeling of injustice is so great that he refuses to give up his efforts to seek redress.

When this man was on a visit in the United States he called the office of the Canadian consul and made an inquiry regarding the entry of a certain item free of duty into Canada. He was informed it could be brought in free of duty and acted accordingly, but when he arrived at the border crossing point he was told it was not duty free and he had to pay about $70. Since he did what he considered was the right thing in calling the representative of the Canadian government, and in acting on the answer he got, he feels very strongly about the matter.

During the past six or seven years he has written to the successive ministers of national revenue and ministers of justice, but all to no avail. I have tried to help him all I can, and I think it is a very bad thing that this citizen carries this strong feeling of injustice, because he is absolutely certain he did the right thing.

It seems to me that a person who would be a parliamentary commissioner or an ombudsman would have to have some special powers. In the case I have mentioned, the customs official at the border was acting within the law. The item was not free of customs duty and the official was required to collect the duty, but the fact is that the Canadian representative in the United States gave the wrong information. I think that a parliamentary commissioner ought to be able to make an order stipulating that the amount of money involved should be refunded, if he is satisfied that the citizen in question has made a good case.

If this bill is not adopted today, and there is always that danger during this hour, there will be an opportunity later this session to discuss the resolution proposed by the hon. member for Port Arthur. I hope the government will take into account the growing demands throughout the country for the provision of such an office. It has been mentioned by the hon. member for Red Deer (Mr. Thompson) that the office of ombudsman is working satisfactorily in Sweden and New Zealand. He also mentioned that Saskatchewan and Nova Scotia are discussing the creation of such an office. I hope all provinces will, and especially the province of British Columbia where, with the government we have there, we would need about six ombudsmen.

Hon. J. Watson MacNaught (Solicitor General): Mr. Speaker, I move, seconded by the Minister of Mines and Technical Surveys (Mr.

Benidickson) that the subject matter of this bill be referred to the special committee on procedure.

Mr. Fisher: Since there is a resolution on the order paper dealing with the same subject, and since he has made this motion, it seems almost superfluous for me to keep that resolution on the order paper. Would he also consider having that resolution sent to the committee, since it covers the very same thing?

Mr. McNaught: I may point out Mr. Speaker, that there is a distinction between the resolution and the bill. It is possible to refer the subject matter of a bill to a special committee, but it is not within the rules to refer the resolution.

Mr. Churchill: I understand the minister has moved that the subject matter of this bill be referred to the committee on procedure. Is this the committee of the house on rules and procedure?

Mr. Walker: The special committee.

Mr. Churchill: Well I wonder, Mr. Speaker, whether this is the type of subject matter that that special committee should be considering. What has this particular bill to do with the rules of procedure of the House of Commons? This has to do with the setting up of an official to investigate complaints which may originate from all quarters of Canada. It has no relationship whatever to the conduct of business within this chamber. If the committee diverts its attention to a subject as comprehensive as this, it will not have time to deal with the matters which we, as members of the House of Commons, thought the committee was going to deal with, namely the rules and procedure of this house. Having had experience over a number of years as a member of similar special committees I can say it is a heavy task, indeed, that the special committee has undertaken. If that committee is to revise the rules of the house and present its findings for consideration, it will have no time at all to deal with the subject of an ombudsman; or members of the committee could easily give their attention to that matter rather than to their prime task.

So the minister's proposal amounts, in effect, to one of two things. It is either, in an indirect way, giving a six months hoist to a private member's bill or it is saddling the committee on rules and procedure with a subject with which it has no concern whatsoever. For these reasons I think it would be far better if the minister were to withdraw his motion. Otherwise—I see it is only seven minutes to six—I believe I could think up other things to say about it, and we could postpone consideration of the motion.

Office of Parliamentary Commissioner

Mr. Prittie: Mr. Speaker, perhaps at this point—

Mr. Churchill: Is the hon. member raising a point of order?

Mr. Thompson: I thought the hon. gentleman was sitting down.

Mr. Churchill: Oh no, I have the floor. If I sat down the hon. member would be speaking again, and I do not want to listen to him any more. Besides, you would be closing the debate on this subject.

Mr. Prittie: On a point of order, Mr. Speaker; I am not sure if it is one or not. I do not intend to hold the floor. If the objection raised by the hon. member for Winnipeg South Centre (Mr. Churchill) is valid at all, may I ask whether the minister might consider sending this subject to some other committee, possibly the committee on privileges and elections? I do not want to see the motion talked out when there seems to be a good opportunity for an investigation of the bill.

An hon. Member: Privileges and elections.

Mr. MacNaught: I would have really no objection to referring the subject matter of this bill to the committee on privileges and elections if that would meet the objection raised by the hon. member for Winnipeg South Centre.

Mr. Churchill: We could give unanimous consent to the minister withdrawing his motion and presenting another.

Mr. Lambert: Might I interject merely to say that I doubt whether there is power to refer this matter to Mr. Speaker's committee on procedure, because that is a special committee which is bound by specific terms of reference. On the other hand the standing committee on privileges and elections—and here I am subject to correction—is not bound by any specific terms of reference; it stands already by the rules. I share the opinion of my hon. friend that this question of an ombudsman is one with which the committee on privileges and elections would be better qualified to deal. In any case, I can assure hon. members that the committee on procedure has more on its plate, now, than it can readily handle.

Motion (Mr. MacNaught) withdrawn.

Mr. MacNaught: I move, seconded by the Minister of Mines and Technical Surveys (Mr. Benidickson):

That the subject matter of Bill No. C-7 be referred to the standing committee on privileges and elections.

Motion agreed to.

Mr. Deputy Speaker: Order. The hour appointed for private members' business having expired, the house will now resume the business which was interrupted at five o'clock.

PENSIONS

PROVISION FOR ESTABLISHMENT OF CONTRIBUTORY PROGRAM

The house resumed consideration in committee of the following resolution—Miss LaMarsh—Mr. Lamoureux in the chair:

That it is expedient to introduce a measure, to be known as the Canada pension plan, to establish a comprehensive program of old age pensions in Canada payable to contributors, and to provide, among other things, for the payment of retirement pensions beginning at any age between 65 and 70 years; for the payment of pensions to surviving spouses beginning at any age from 65 years; for the progressive establishment of full pensions over an initial period of 10 years; for the co-ordination of pensions payable under the Old Age Security Act with pensions payable under the Canada pension plan and for the payment of adjusted pensions under the Old Age Security Act beginning at any age from 65 years; and to provide further that all expenditures under the Canada pension plan, including costs of administration, shall be financed from contributions by employees, employers and self employed persons.

The Chairman: It being six o'clock I do now leave the chair.

At six o'clock the committee took recess.

AFTER RECESS

The house resumed at 8 p.m.

Mr. Monteith: Mr. Chairman, at five o'clock I had barely commenced my remarks on this resolution but I had expressed my regret at the Prime Minister's not having acceded to my suggestion that a committee study the bill prior to its having second reading. I had also mentioned that I thought a joint committee of the Senate and House of Commons would be an appropriate body to give the bill the necessary examination. I have done a great deal of reading on this matter over the last several days, some of which favoured the plan, some critical of it. I have reread the speech of the minister on July 18 last when she introduced the resolution which was supposed to herald the panacea of all pension legislation. It made very interesting reading. I expect the minister has learned that it is wise to make haste slowly.

We all remember, Mr. Chairman, the budget speech of the Minister of Finance (Mr. Gordon) last June. No one ever delivered a greater political diatribe than he did that night. Then last night, while all was not sweetness and light, there was some change in attitude. I am not going to get into a budget debate but I cannot help but recall how that previous effort fell completely apart. We shall have to see what happens to his latest effort. I am sure the hon. lady has taken a leaf out of the book of the Minister of Finance but gone one step further. On July 18 last she went out of her way to insinuate all sorts of political motives to the opposition, just as had the Minister of Finance. I suggest that the minister reread her speech of that date. Probably she has done so very recently.

Miss LaMarsh: I read it every morning.

Mr. Monteith: It shows how vulnerable, Mr. Chairman, one can be when he or she undertakes to be the know-all and end-all on any subject, let alone a subject as complex as pensions. Today, Mr. Chairman, the minister has shown complete control and presented her statement in a quiet and sober manner, for which I congratulate her. However, I doubt whether this transformation can be permanent.

The minister, in the short space of less than eight months, has had to take back so much of what she said on that previous occasion that it seems incomprehensible that she stand here today and expect the House of Commons and Canadians to accept her statements as anything approaching the last word on the subject. The minister's experience since undertaking the responsibilities of this portfolio has surely taught her to move less hurriedly and less blindly than in the past. Probably the most glaring example of her reversing of position is that the taxpayer is now paying something like $100 million more in income taxes per year to pay the $10 increase in old age security. This was supposed to be paid out of the Canada pension plan. And by the way, those elder citizens now receiving that extra $10 can thank the Leader of the Opposition for forcing the government to keep their election promises, and not delay as they would otherwise have done.

In her July 18 speech the minister intimated several times that action which we had taken in this field was for votes. I would say to her that the largest share of our social welfare legislation was brought in early in our regime and that we kept our election promises. I would also say to the hon. lady that if anyone has been vote conscious in any piece of legislation which has been brought before this country, she deserves the highest marks. It is strange indeed, Mr. Chairman, how a speech can be made on a resolution such as that of the minister on July 18 last, and then such a different approach takes

place so shortly thereafter. If she believed so strongly and was so convinced that she was right at that time, how in the world can she be so convinced that she is right now? We are having, Mr. Chairman, at least two chances at this legislation, which reminds me of the story of the man trying to jump a chasm in two jumps.

I have before me, Mr. Chairman, a speech prepared for delivery by Hon. Judy LaMarsh, Minister of National Health and Welfare, at a meeting of the Canadian pension conference in Toronto on Monday, September 30, 1963. I think this is a rather interesting document. As I recall, that was the day parliament reconvened after the summer recess, and the first item of business for discussion that day was the increase of the old age security by an amount of $10 per month. I believe that as a consequence the minister was detained in the house and was not able to be present herself; but I am assuming this was read to the meeting by the—

Mr. Munro: You are doing it now.

Mr. Monteith: I have not read anything yet. Be patient.

An hon. Member: What do you mean, "yet"?

Mr. Monteith: I think this was read to the meeting by the parliamentary secretary, or at least this is what I understand. This indicates how the government of the day was so confused at that time. This speech, which was read by the parliamentary secretary to that meeting on the evening of September 30, because of the enforced absence of the Minister of National Health and Welfare due to her presence being required here in the house in regard to this particular piece of legislation, deals with the situation as it existed on July 18 last. This is not an up to date picture, as we have had presented to us today. On that very day parliament reconvened, and we undertook in this House of Commons to raise old age security by $10 per month and to pay for it by at least $100 million in extra taxes imposed upon the taxpayers of this country. I have said this shows how confused was the government, and I now suggest that they did not know at all where they were going. The present plan has apparently been constructed and devised entirely since this statement, at which time the minister was presumably in a position to give what she thought to be an authoritative statement on the situation which then existed. I would suggest, Mr. Chairman, that this again demonstrates backtracking, backsliding, reversal and just not knowing where one is going in the first place.

I should like to review the actual resolution before us today. I shall read it, and read it slowly so we may analyse the full import of the actual words used:

> That it is expedient to introduce a measure, to be known as the Canada pension plan, to establish a comprehensive program of old age pensions in Canada payable to contributors—

Some hon. Members: Hear, hear.

Mr. Monteith: We all agree with this. I think the government may well applaud, Mr. Chairman, because we all agree with it. The resolution continues:

> —and to provide, among other things, for the payment of retirement pensions beginning at any age between 65 and 70 years—

I am sure we all agree with this, Mr. Chairman.

Some hon. Members: Hear, hear.

Mr. Monteith: It is very heartening, I might point out, to be applauded so heartily by those on the government benches. The resolution continues:

> —for the payment of pensions to surviving spouses beginning at any age from 65 years—

Some hon. Members: Hear, hear.

Mr. Monteith: That also, Mr. Chairman, we agree with, except that it does not go far enough and provide real survivor benefits or any disability coverage. I continue reading the resolution:

> —for the progressive establishment of full pensions over an initial period of ten years—

Yes, indeed:

> —for the co-ordination of pensions payable under the Old Age Security Act with pensions payable under the Canada pension plan—

I say yes, again:

> —and for the payment of adjusted pensions under the Old Age Security Act beginning at any age from 65 years—

I am sure we are all for that.

Some hon. Members: Hear, hear.

Mr. Monteith: I go on:

> —and to provide further that all expenditures under the Canada pension plan, including costs of administration shall be financed from contributions by employees, employers and self employed persons.

That seems sound, Mr. Chairman, except the Prime Minister has said that all administrative costs would not be financed out of contributions, in the early stages. Who, or what party, could be against those provisions set forth in the resolution? They are all of admirable purpose. They agree, in part at least, with what we in this party have been trying to bring into being since 1962.

Some hon. Members: Oh, oh.

Some hon. Members: Hear, hear.

Mr. Monteith: They do not go as far as the Liberal election campaign propaganda claimed they would go. But then that does not seem to worry the government; nor does it mean that we should not support even this abbreviated version of what was promised us. I shall now read one or two sentences from the Liberal propaganda of the election campaign of 1962.

Mr. Balcer: Oh, spare us.

Mr. Monteith: I quote:

> People will be able to start drawing a contributory pension at age 65 if they wish. There will be benefits for disabled people, widows and orphans.

We know that last sentence was a complete fabrication of the imagination. We tried in 1962—as promised in the speech from the throne—to obtain the consent of the provinces for that very purpose, and we failed when Quebec did not give that consent. An amendment to the constitution is required for this purpose. The government knows it now, and knew it then, but held out this promise of action. There are no survivor benefits in this plan, in the real meaning of the term; we know that. Nor are there benefits for disabled people, widows and orphans. I should like to read another section of the Liberal campaign literature, which is as follows:

> The Liberal plan will add a contributory pension to the existing old age pension. The addition will be paid for entirely by contributions, not by taxes.

We know what has happened, as I mentioned earlier. Only by being forced by the opposition to give this extra $10 to old age pensioners did it ever come into force; otherwise it would not yet be in force.

Some hon. Members: Hear, hear.

Mr. Monteith: Despite a promise not to increase taxes, this was done. Mr. Chairman, I have here a full page advertisement which appeared in the *Daily Colonist* of Victoria, British Columbia, of March 31, 1963. Obviously the Liberals had a great deal of money for election purposes. Here it is. I should like to refer to the section headed "Pensions". How misleading this all is. It is utter misrepresentation. I am not going to read it all, but there is a long paragraph concerning the amounts of pension to be paid. We now know how misleading this paragraph was because the amounts have all been changed. Incidentally, I think it should be pointed out that this government has been waffling all over the place in many respects, and I am just wondering if even now they have made up their minds.

It will be recalled, and it is set out in this advertisement, that the maximum earnings to be covered by pension were to be $6,000 a year. Then last July 18 they said the maximum was to be $4,000 a year and now we understand that the maximum earnings to be covered will be $4,500 a year.

Here again we have it pointed out that this scheme is supposed to provide pensions for the disabled and for widows and orphans. How completely misleading. We were given to understand that assistance was to be available to single women and widows at age 60. It says so here in the advertisement. Certainly there is no mention of that in the press release by the Prime Minister.

I note also that the Liberals promised to increase old age assistance to $75 a month and to increase disabled and blind pensions to $75 a month. You know quite well, Mr. Chairman, that these things were not brought into legislation until the government was forced to do so by all opposition parties last autumn. Then, of course, those particular increases came into effect two months after old age security payments had been increased. The disabled, the blind and the aged were forced to forgo increased pensions for two months because of the dilatory action of the government.

In the 1963 campaign pamphlet we find more of the same thing. I am not going to go into detail, except to say that the Madison avenue approach of hoodwinking the people has been adopted by the government, and the people of Canada have been misled by this kind of misrepresentation.

Particularly due to the fact, Mr. Chairman, that the Minister of National Health and Welfare intimated in her speech of July 18 last that the Conservative party when in office had done very little so far as social security is concerned for the people of this country, I want to put a few things on the record. Let us see what the situation was when we came into office in 1957.

An hon. Member: Oh, no.

Mr. Monteith: I know you do not want to hear it.

An hon. Member: Keep reading.

Mr. Monteith: Perhaps the hon. member for Rosedale could sit and listen for a change.

Mr. Macdonald: Mr. Chairman, I am waiting for the hon. member to say something, for a change.

Mr. Monteith: I repeat, let us see what the situation was when we came into office in 1957. The previous government had had a succession of surpluses, and only as election bait in the budget of 1957 did they bring in an increase of $6 a month in old age security payments.

Some hon. Members: Shame.

Mr. Monteith: Let me repeat. In all those years of surpluses they did not care two hoots for the welfare of the common man or the aged, who were forced to get along on $40 a month.

An hon. Member: What has this got to do with contributory pensions?

Mr. Monteith: As I said before, in 1957 they held out as election bait an increase of $6 per month in old age security, effective July 1 or after the date of the election. It was a straight bribe to the old people.

Mr. Winkler: A real Grit trick.

Mr. Monteith: But I should like to point out that in the almost six years we were in office we actually legislated for an increase of $19 per month, and it was only as a result of our insistence that the $10 increase of last October 1 was forthcoming.

An hon. Member: This is the thirtieth time you have said that tonight.

Mr. Monteith: We know that the minister in her speech to the house last July 18 said that the $10 increase, which the Liberals had promised during the last election would go into effect immediately, would not be put into force until early 1964. Again I repeat that we forced this increase, and can take the responsibility or credit for the total amount of the increase in these pensions, ever since they were at the level of $46 a month.

For the information of the present government, who have been promising so much and doing so little, I think that a few of our other accomplishments in the welfare field should be mentioned. I have here a booklet entitled "Social Security for Canada", which is a policy statement adopted at the annual meeting of the Canadian welfare council, June 2, 1958. This is a very comprehensive booklet and while not all the things suggested in it were possible I should like to mention just a few of the matters to which we gave consideration. For instance, recommendation No. 2 reads as follows:

> Consideration should be given to arrangements which would enable certain classes of people in the 65-69 age group to qualify for the old age security pension.

This was considered by us and embodied in our plan for which we failed to secure agreement from all the provinces.

An hon. Member: Is that the reason why you did not bring it in?

Mr. Monteith: When we first came into power we were cognizant of the need for study in regard to old age security and contributory pensions. Consequently, Mr. Chairman, we appointed Dr. Robert Clark of the University of British Columbia to make a study for us of the old age and survivors insurance program in the United States.

The Chairman: Order. I apologize for interrupting the hon. member but his time has expired unless he has unanimous consent to continue. Is it agreed that the hon. member has unanimous consent?

Some hon. Members: Read on.

Some hon. Members: Agreed.

Mr. Douglas: Mr. Chairman, I should like to suggest that if the first speaker for each of the parties were allowed extra time we might be able to confine ourselves to one speaker for each party.

Mr. Monteith: I should like to thank the house for its courtesy in allowing me extra time. I had just mentioned that we appointed Dr. Robert Clark of the University of British Columbia to prepare a study for us on the old age and survivors insurance program in the United States. This he did.

After many meetings of the interdepartmental committee of officials, we were prepared to present our contributory plan for all Canadians. It was then we applied to the provinces for an amendment to the British North America Act, which would permit us to provide survivorship and disability pensions. As the house knows, this was refused by the province of Quebec.

There are other departments in the health and welfare field about which our government, when in power, saw fit to do something, so that there would be a semblance of social justice for the people of Canada. The hon. member for Greenwood has been questioning the minister as to whether or not the present government would consider increasing grants for hospital bed construction. We doubled those grants back at the beginning of 1958, realizing that the previous government had refused to face the fact that construction costs had increased so greatly since these grants were first brought into being in 1949. This was only one item.

Another discrepancy in the legislation at that time was the fact that unemployment assistance could only be paid to provinces who signed agreements with Canada, and then only if .45 per cent of the population of the province was unemployed. We rectified this early in 1958 so that the federal government would share 50 per cent of all unemployment assistance benefits paid by the provinces, without any ceiling on the number of unemployed. This actual expenditure by the federal government on behalf of the citizens of Canada has increased from something like $8 million when we came into office to an estimated amount for this current

year of $110 million. It should be mentioned that this category of payment includes 50 per cent of any supplementary payment by a province over and above the regular old age security or other welfare payments.

An hon. Member: What about the pension plan?

Mr. Monteith: I think it should be pointed out—

Mr. Starr: I rise on a point of order, Mr. Chairman. I wonder if the hon. member for Perth would excuse me for a moment? My point of order is this: When the Minister of National Health and Welfare read her statement we listened attentively and courteously. Now, the hon. member for Perth is making a statement on behalf of the official opposition and I think the same courtesy should be extended to him by the arrogant members of this arrogant government.

An hon. Member: What about the arrogance displayed by the members of the opposition?

Mr. Monteith: Mr. Chairman, I think it should be pointed out—

The Chairman: Order, please.

Mr. Monteith: I think it should be pointed out that prior to our amendments some five provinces had had agreements with the federal government. After this legislation was amended all provinces signed agreements with the federal government.

I am going to mention hospital insurance, which is certainly one of the most important pieces of legislation ever brought into being in this country. I feel it should be mentioned. During the first year we were in office, that is until March 31, 1958, there were no expenditures for hospital insurance. Last year, according to the white paper issued by the Minister of Finance there was an expenditure of $390 million in this regard.

Some hon. Members: Order, order.

Mr. Monteith: We all know, Mr. Chairman, what a boon this has been to the people of Canada. Nobody can dispute this. Let us not hear it said, as the Minister of National Health and Welfare did on July 18 last, that the previous government had done nothing toward benefiting the people of Canada by way of social justice. We admit that the law was put on the statute books by a Liberal government, but under pressure from the premier of Ontario, Mr. Frost. They must, in turn, admit that the law could not be effective until an amendment permitting any province to join in the scheme was passed. Following that, we signed an agreement with all ten provinces and the two territories.

[Mr. Monteith.]

There were, Mr. Chairman, many other things, such as a welfare grants program which I had the honour of presenting to this house. I happen to know how much these grants were appreciated by the people in the field. This move had been recommended by the Canadian Welfare Council. As we all know, the funds available were to start at $500,000 a year and increase by a like amount annually until a total of $2.5 million had been reached. I would point out that the Hall royal commission on health needs was instituted by the previous government, consequent on the realization that there were some inadequacies and we wished to find out what they were. This, again, was a course of action dictated by Conservative principles and philosophy. We did want to know just what the situation was across Canada before action was taken, and as a consequence we asked this royal commission to make a very comprehensive study of the whole field. We are told that the commission is to report soon, and we are looking forward with great anticipation to its findings.

There are so many other fields in which the government of which I had the honour to be a member took positive steps. There was the $5 million annual grant for fitness and amateur sports. Then there were increases and adjustments for war veterans pensions and allowances. There were the steps taken by the minister of labour. There were so many, in fact that I could not enumerate them all here.

Mr. Haidasz: I rise on a point of order, Mr. Chairman. I believe that when the house granted the hon. member for Perth the courtesy of speaking beyond the 30 minute limit, we extended that courtesy to him subject to his remarks being germane to the resolution and not straying as much as he has.

Mr. Churchill: In so far as the point of order is concerned, Mr. Chairman, I would refer you to rule 31. You will observe that a minister moving a government order and a member speaking in reply immediately after such minister is not limited as to time.

Mr. Knowles: Mr. Chairman—

The Chairman: I would refer the hon. member to standing order 59 (3).

Mr. Knowles: I was just going to say, Mr. Chairman, that I am surprised the hon. member for Winnipeg South Centre has not read the whole of standing order 31. Had he done so, he would have seen it does not apply to the committee stage.

An hon. Member: Why not sit down and read the whole of the book for a change?

Mr. Monteith: I would only put one question to the house. I am wondering upon what

authority the present member for Parkdale speaks on behalf of the Minister of National Health and Welfare? I understood, and I am subject to correction, that there had possibly been a falling out somewhere along the line.

In order to emphasize the general outlook of the Conservative party, I would recommend as excellent reading a book entitled "The Conservative in Canada" written by Mr. George Hogan. In the portion to which I specifically refer, he has been writing about Conservative philosophy on social welfare and what it implies. I quote from page 98 of this book:

> It may be said that the Diefenbaker government's record of expanding social services coupled with recurring budget deficits contradicts everything I have just said.
>
> I would dispute this on two grounds. First of all, this government, as its opponents never tired of pointing out, was faced through most of its first term of office with a condition of economic recession. This recession had already started when the Conservatives came to power, and in line with the concepts we have been discussing, they deliberately budgeted for deficits in order to counteract it.

The author goes on to say:

> The two remaining fields where the contributory principle might be applied are old age pensions and health services.

I am quoting, now, from page 101 of this book which I think it would do hon. members opposite a great deal of good to peruse.

> The Diefenbaker government announced in the speech from the throne of January 1962 its intention to implement a contributory old age pension plan. The introduction of this plan depends upon certain constitutional arrangements with the provinces.

The present government knew all about this when they were advertising their election campaigns of 1962 and 1963. Here is another interesting quotation:

> The objective, as we have said, is simply to meet the need; to make it possible for every Canadian to have a satisfactory pension plan if he wants one. The proposed plan of the Diefenbaker government meets this need. It would be, in the first place, voluntary. No one will be forced to join it. In the second place, to quote from the speech from the throne, it "will take into account private pension arrangements". In other words, as Mr. Diefenbaker said, it "should not require additional contributions by those already contributing under satisfactory private arrangements." This proposal offers us as clear an example as we shall see of the essential difference between socialism and Conservative social justice.

Mr. Chairman, the philosophy of the Progressive Conservative party in this whole field is that we must care for those who cannot look after themselves. The action of Quebec in refusing permission for an amendment of the British North America Act was a body blow to our pension scheme. I am told the same old Liberal propaganda and rumour mongering is going on, now. I am given to understand on very good authority that the whispering of an election campaign is on and that people are being told that the Conservative party is against contributory pensions. Yes, it is the old story. It has been done before by the party opposite. Even some sections of the press, I believe, are falling for this type of information. It is the same old story. I recall being told in 1953 when I was first campaigning in my home constituency of Perth—the Liberals had been in power for 18 years—that they were spreading rumours to this effect: Elect Monteith and you will lose your old age pensions and family allowances. What utter rot.

Mr. Nowlan: The same in Nova Scotia.

Mr. Monteith: I understand it is not permissible to read from previous debates in this house in the same session, but it is obvious that even the Prime Minister is not above trying to mislead the people of Canada. As will be borne out by reading page 55 of *Hansard* of this year, the right hon. gentleman did his best to leave the impression with the people of Canada that the Conservative party was against this plan. That is an absolute falsehood. Fortunately, the Leader of the Opposition was in his place in the house and was in a position to rise and refute such a statement. I simply repeat that the government to which I had the privilege of belonging did more in less than six years of office by way of bringing social benefits to Canadians than had probably been accomplished in 50 years of Canadian history. That is true. I suggest anyone interested should make a comparison of the estimates of the Department of National Health and Welfare for the year 1956-57, which was the last year in power for the Liberal government of that day, with the estimates of 1963-64, the last year for which we prepared estimates. The public will see that an increase of at least 100 per cent took place in that period.

I have read in detail the Prime Minister's press release of January 20, 1964, the letter to him from the premier of Ontario on February 13 and, in turn, the Prime Minister's last letter dated February 25. As I said at the beginning of my speech, I do not believe this is the time to go into all the details of the plan. There are so many questions to be answered. I believe we should get the bill before us, and we should like to see this done as soon as possible.

An hon. Member: Well, sit down.

Mr. Monteith: I must say, I am receiving a really courteous reception from across the way. It is typical of the old line Grit government of 1956.

Mr. Pigeon: Same old gang.

An hon. Member: Same old bull.

Mr. Monteith: We are all keenly interested in the subject of pensions and should be as well versed in it as possible. I suggest to all those members opposite who are interrupting that they would be spending their time to much better advantage if they would do a little reading on the subject. I recommend that they secure a copy of "Pensions in Canada". This is a CCH Canadian publication compiled by Laurence E. Coward. There are many worthwhile contributions in this book, including one by the Minister of National Health and Welfare (Miss LaMarsh). Read it. When you read it you will observe—and it is perfectly obvious—that her paper was written prior to the new plans being presented to us, and I am just wondering whether eventually there will not be more deviation with still another version.

To paraphrase what the right hon. Leader of the Opposition said on July 18 last, when he was replying to the minister of health upon the presentation of that previous ill-fated resolution, even this present resolution is only in general terms. It is far from clear, it is window dressing and it demonstrates hopes only for some ten years hence. As I said before, we are in favour of contributory pensions to the most Canadians possible, pensions which carry with them the most benefits possible. If, however, we felt that this was the time to press for definite answers there are so many questions we should like to ask. For instance, how can this plan be considered an all-Canadian pension plan representing one Canada when roughly one third of the population has already opted out? To me a Canada pension plan should be all-comprehensive and cover all of Canada, not just certain segments.

Another question which I fail to see has been properly answered is this. Why has the government chosen to accept with such alacrity the refusal of Quebec to join the pension plan, at the same time putting the onus for any possible failure of the plan on Ontario in case Ontario should decide not to enter? I am not putting forth Ontario's case at this time but I should like to ask the minister whether she or the government really put up a good and persuasive case to the province of Quebec as to why they should join with other provinces and thereby make this a comprehensive scheme for one Canada. Then, Mr. Chairman, what is going to happen to many of the fine pension plans now in force? These are questions on which I could press for an answer at some other date.

[Mr. Monteith.]

Where does the individual get off in this situation? The Prime Minister has said in his press release of January 20 that some of the better existing plans would require fairly early adjustment. Just how are these going to be adjusted? Obviously any adjustment is downward. One of the best pension plans in Canada is that of the federal civil service. Where does this leave the civil service? Are civil servants in all spheres of government going to be unduly affected? What will happen to the Ontario hydro-electric plan, the C.N.R. pension plan, teachers' plans, banks' plans, universities and so on? Many excellent pensions for employees have been developed only after protracted management-labour negotiations. What is going to be the effect on them? Just what actuarial compilations have led the government, first, to come up with their scheme of July 18 last, and now to change to the present one? I ask this because other actuaries apparently differ. Has the minister of health, like the Minister of Finance, now decided not to bring in outside experts to advise with regard to the pension plan, as, I understand she did originally? Mr. Chairman, I repeat that if I were going to press for answers today these are some of the matters about which we would want to know. However, I say again let us see the bill and at that time we will give it the necessary close examination.

There have been newspaper conjectures concerning what is going to happen in Quebec city at the federal-provincial conference starting in Quebec on March 31. The government probably knows by now what its approach to the provinces is going to be. It was obvious after last night's budget that there is going to be a cold shoulder put to the provinces concerning any further financial easement for them. What is going to be the position concerning the Canada pension plan? Is the government going to that conference with its mind made up that if everything does not go according to their wishes they will call an election? This has been intimated more than once. May I suggest, sir, that an attitude of conciliation would be much more beneficial to all the people of Canada. Surely the greatest step toward unity in Canada would be to stress to Quebec the importance of this being a comprehensive one-Canada pension plan, and I plead with the government to do this.

Let me close my remarks, Mr. Chairman, by repeating what I said at the beginning. I want to impress on this house and the country that the Progressive Conservative party is 100 per cent behind a Canada pension plan. There are simply no qualifications. Let me make it abundantly clear that

we wish to see a comprehensive contributory pension plan brought in at the earliest opportunity. We want to see the bill and we want to see it at once.

Mr. Knowles: Mr. Chairman, eight months ago tomorrow we took the first step in connection with the matter we are discussing tonight. It was on July 18 of last year that we debated a resolution similar to the one now before us. I expressed the view on that occasion that when we get upon our statute books legislation of the kind we are now discussing we will have taken one of the most important steps in the history of Canadian social legislation. I will make it clear as I go along that there are some aspects of the plan now before us which are inadequate, but in principle what we have before us is the proposal that we move into a new stage with respect to security in old age. Therefore, we support this measure.

Many years ago the idea was started that the government should do something about old age. Then a number of years ago we moved on and established the principle of universality when we provided for pensions under the Old Age Security Act to be payable to everyone at age 70, without a means test. But we still have to take the all important step of putting pensions for old age on a basis that will make those pensions adequate for retirement with dignity and security. We will not achieve that, Mr. Chairman, until we have, on top of a flat rate benefit, an earnings-related program. In principle that is what the Canada pension plan proposes; that is why we are in support of the Canada pension plan and want to see it enacted at the earliest possible date.

Some hon. Members: Hear, hear.

Mr. Knowles: I have referred briefly to the debate of eight months ago tomorrow. Most of us must recall it. Some things have changed; some things have not. I made some notes during the supper hour, Mr. Chairman, as to what I might say when opening my remarks. When a speaker is third in line he should not make notes, because things change as you go along. However, one of the notes I made was to take this opportunity of congratulating the Minister of National Health and Welfare on her speech.

Some hon. Members: Hear, hear.

Mr. Knowles: I do so quite gladly. Last July I had to chide her for the terrible partisan note that she imported into her speech on that occasion. But today it was not there. Today she presented the facts of the case and did it well. I congratulate her on the speech she made this afternoon. I also want to express my warmest congratulations to those in the minister's department who prepared the white paper which the minister tabled this afternoon and which will be an appendix to today's *Hansard*. I regarded the white paper which was tabled last July as a very useful document. I believe the white paper that has been tabled today is an even more useful one. It gives more details than the white paper gave last time; and I suggest to those who are honestly desirous of knowing what is in the Canada pension plan, as well as to the critics who say they want information about it, that they read and study the white paper. I would even offer this suggestion to the hon. member for Perth, that he include in his reading the white paper that we have had since five o'clock this afternoon. In any case, Mr. Chairman, I welcome the tabling of the white paper. I hope it will receive very wide distribution, for it does answer many of the questions the hon. member for Perth asked tonight and it answers many of the questions that people are putting to us about the Canada pension plan.

There are other questions that we will have to discuss either in committee of the whole house or in the special committee to which the bill will be referred; but I suggest, in all fairness, that we have been given a good deal of information about this proposed piece of legislation. In fact, I suggest that when one realizes that generally we do not get the details that are in a bill until we get the bill itself, on this occasion we have been given a good deal of information in advance.

Another note that I put down on paper during the supper hour was to congratulate the hon. member for Perth. That, of course, was on the basis of what he said during the five minutes in which he spoke between five minutes to five and five o'clock. Most of the members who are here now were here then, and I am sure all will agree with me that we welcomed and were heartened by the tone of his remarks. He made it clear that the members of the Conservative party were 100 per cent behind a Canada pension plan. He said there were no ifs or buts about it. He said there had been enough discussion and that the Conservatives felt there need not be endless debate on the resolution, but we could get the resolution through and thus get the bill introduced without delay. I was greatly encouraged by that. It has been my fear for some time that the way this session has been going we would not get this resolution through, that we would not get the bill before Easter, and that this would jeopardize the future progress of the plan. From what the hon. member for Perth said between five minutes to five and five o'clock I was encouraged to believe that we might get this

resolution through tonight, and therefore get the bill, see it, know its details, and all of us in the house and the country would be that much better off.

The hon. member for Perth also said, between five minutes to five and five o'clock, that he regretted not being able at that moment to comment on the white paper which had just been tabled. He said he would have to study it during the supper hour. I wonder, Mr. Chairman, what he did during the supper hour, because he certainly did not come back tonight and discuss the white paper or the Canada pension plan. He changed his tune completely and decided to make the same kind of partisan speech that we have heard before on this issue; he gave us no constructive criticism of the plan itself.

Mr. Horner (Acadia): What are you doing now?

Mr. Knowles: I submit that this is not good enough, coming from a former minister of national health and welfare, coming from one who is supposed to know something about this matter, from one who should be able to give us the benefit of his views about the subject that is actually before us, namely the Canada pension plan. I hope that as this debate proceeds, at this stage today, on second reading of the bill or in the special committee to which the bill will be referred, we will get down to the bill itself, to its details, and will give to it the benefit of the consideration we are supposed to give to it.

Now, Mr. Chairman, I want to say a few things about the Canada pension plan on the basis of the information we have been given. It will not come as a surprise if I divide what I want to say under two main headings. On the one hand I want to indicate the things about the plan that we think are good; then I want to indicate the things about the plan that we feel should be improved.

First of all, the aim of the Canada pension plan, despite the fact that the dollars it proposes as rates of pension in the next ten years or so are not really very magnanimous, are not really sufficient for the dignified living in old age that is referred to, is to provide pensions, not just on the basis of subsistence but on the basis of the idea that people on retirement should be able to live in accordance with the standard of living that has been achieved by that time. In the white paper that was tabled by the minister this afternoon there are a couple of sentences along this line that I think are worth underlining. On page 7 of the mimeographed copy of this white paper I find these words. Referring to the plan, it says:

> —it will provide a basic measure of "real security, because people will be assured of pensions that are related to general earnings levels at the time they retire, not to money incomes which have become out of date.

That, I suggest, is extremely important. For far too long pensions have been thought of as a subsistence amount, or as somehow related to what people were earning in their working years or back when they first started to work. But pensions, if they are to be worth while, must be related to the earnings levels at the time people retire. I would go further and say that even after people retire, as the earnings levels of the general community increase, so should pensions increase. But at any rate, the aim of the Canada pension plan is to put pensions on that basis. As a matter of fact, Mr. Chairman, over on the next page of the mimeographed copy of the white paper the same thought appears again when it is said:

> —people...can be assured of pensions which will still provide a secure retirement in line with economic conditions at the time.

That, Mr. Chairman, is what must become our aim in the old age security field—not just a fixed sum of dollars that bears some relation to what was earned in the past, but a pension related to earnings at the time of retirement; a pension related to the economic conditions during the years in which people are retired. Because this Canada pension plan aims at that, because in principle its purpose is to provide pensions looking toward adequacy, looking toward people in retirement being able to enjoy the standard of living that is possible when they are retired, for these reasons the plan is good and deserves the support of all of us.

A slight improvement has been made in the version of the plan we have now, compared with the plan of last July, in that greater emphasis is placed upon possible retirement at age 65. I want to make it clear that the plan has not gone all the way, has not gone as far as we think it should go. We think the plan should make age 65 the normal retirement age and then if there is a desire to increase the rate of benefits for those who retire at a later age, let that be the exception. As I say, we think 65 should be the normal retirement age and that pension benefits should be geared to that age. However, I will give the minister and the government credit for having shifted the emphasis slightly. Last July it was a plan for retirement at age 70. This time it is still a plan for retirement at age 70 but there are increased inducements to people to retire at 65. In so far as the government has gone in pursuit of this goal, the plan is good.

May I emphasize again our acceptance, our welcome, of the fact that the Canada

pension plan is a portable plan. It is not necessary to say that in the resolution or in the bill, but once it is a federal plan for Canadians the benefits of which they can draw wherever they live in Canada, that makes it portable, and on that basis it is welcome.

We also welcome the fact that the government has not yielded to the pleading that it lengthen the period before the plan becomes full grown, in other words that it has not extended the 10 year period. If it were to be extended, if it were to amend it so that 15 or 20 years would be required before the pension plan would pay the full benefit, it would not be of any use to a great many of our people at the present time, or in the years immediately ahead.

One other feature about the plan that we think should be recognized as a good one is that it is set up in such a way that the amount of pension under it can be increased. It is quite clear that the maximum earnings ceiling can be raised from time to time, and therefore the maximum benefit can be increased. It is also clear, if one reads the report of the actuaries on the previous plan, that through the years there can be increases in the basic flat rate old age security payment as well. In other words, both stages of the plan are capable of increases so far as amounts are concerned, and therefore once we get this plan under way and we get some of the kinks ironed out we can anticipate that the amount of the pension will increase through the years, and begin to move in the direction of what the white paper says, namely the day when all Canadians will be able to retire in security and with dignity.

I wish to make it clear, Mr. Chairman, that that is not possible under this plan with its present figures, and that it will not be possible even 10 years from now, because in the intervening 10 year period costs will have risen and so on. However, at least it establishes the principle upon which this can be done, and we think that all of the parties in the house, whether or not they like the government, should recognize those things about the plan that are good, and that therefore we should support it and do our best to get it into effect at the earliest possible date.

Those things that are good about the plan, and which have to be said about it after the speech of the hon. member who preceded me, should not blind us to the fact that there are certain shortcomings. In the first place, we in this party deplore as strongly as we can the action of the government in reducing the maximum possible benefit under this plan from $100 a month, as was the case last July, to $75 a month as is the case in the version of the bill that is now before us. We also deplore the fact that this decrease in the maximum possible benefit is accompanied by a slight increase in the maximum contribution that participants will be required to pay, from $40 up to $45 a year.

We feel that this is a case of giving in to the opponents of the plan, the insurance companies, the provinces that have objected to it and so on, and in our view we think the government is not keeping faith with the Canadian people. As has been pointed out several times, the government, and the Liberal party before it became the government, made certain proposals, all of them higher than are now before us. We know from various polls that have been taken how strong is the feeling amongst the Canadian people that we should have a federally operated government pension plan, and we suggest that to have cut this down, to have watered it down from a maximum of $100 a month to a maximum of $75 a month is not keeping faith with the Canadian people. We regret that that change was made and we hope that even yet the plan may be restored to what it was last July.

We also regret that the government has given in to the contention of the insurance companies, and some of the provinces, that the figure of last July was so high that it might incline some people to withdraw from private pension plans. Those words, by the way, are taken from the press release of the Prime Minister in January of this year. Then the Prime Minister went on to say:

> To meet this concern, the federal government is prepared to propose that the earnings-related pension be reduced from 30 to 20 per cent of pensionable earnings.

This concession was confirmed by the Minister of National Health and Welfare when she said that the government had taken into consideration the view that too high a pension might lessen the incentive to people to provide their own private pension plans. We think that this is unworthy of the Minister of National Health and Welfare, unworthy of a government that prides itself on having done something in the field of social legislation. To have yielded at all is bad enough, but to admit having yielded to that kind of argument, and to do it in black and white as the Prime Minister did, to do it as the Minister of National Health and Welfare did this afternoon, we think is reprehensible.

A third comment critical in nature that I should like to make about the plan and the manner in which it is presented is this. I do not think the government should keep on tying together the two amounts, the amount that a person will draw from old age security and the amount that person will draw from

the Canada pension plan, and then say that such a person will get so much out of this legislation. The Minister of National Health and Welfare did that this afternoon. She gave an example of a person whose average income was $3,600 a year, and she said that at age 65, after contributing for 10 years, this person would draw a pension of $111, or that at age 70 he would draw a pension of $135.

This is true, Mr. Chairman, as to the total pension that such a person will draw under the provisions of two statutes; but in all honesty, in all fairness, I think the government, every time, should state these figures on a broken-down basis. The person who earns $3,600 a year, if he goes on pension at age 65, will draw $60 a month from the Canada pension plan and $51 a month from the old age security plan. But let it be clear that they are separate. Let it be clear that the $51 of old age security is paid for out of the 4 per cent personal income tax that all of us pay, as well as out of two other taxes, and that the $60 is what he gets from his contribution to the Canada pension plan. Let us keep this clear. Let the government be honest about this all the way.

The fourth comment I should like to make, in pointing out improvements that are needed, relates to the fact that the old age security pension will be available at ages below 70. We welcome this most strongly. We see this as part of the general idea of moving in the direction of 65 being the normal retirement age. We accept the proposition, and I am sure everyone does, that if a person chooses to take the old age security pension at age 65 at the rate of $51 a month, then that is the rate for the rest of his life. After all, it would not be fair to take that and then to try to go off the pension, and to come back later at a higher level. This is covered in the white paper.

However, Mr. Chairman, there is one proviso that I think should be entered, and it is this. After a person has taken old age security at the reduced rate I think it should be clear that if later on the level of old age security is raised from $75 to $85 or to $100—may I remind hon. members increases are envisaged in the report of the actuaries that we had last year—then such a person who has retired early and has taken his pension at a reduced rate should receive the same percentage of the increased pension that he was receiving when he took $51 out of $75.

We will be getting ourselves into many anomalies. We will be getting some situations that seem highly unjust, if we fix that pension for people at that figure, if we increase other people's pensions and then leave those who elected to take lower pension to stay there for the rest of their lives. We know it only takes a few years—five or ten years—for economic conditions, for wages, for costs to change and for the standard of living to change to such an extent that adjustments do have to be made. I urge, therefore, that consideration be given to putting it in the bill that the reduction of old age security will not be just an absolute amount in terms of dollars, or 40 cents per month, as the white paper says, but that it will be on a percentage basis so that those who take the lower pension will get the same percentage of a higher pension rate if later on the old age security pension goes up.

The next point I should like to make has to do with the self-employed, farmers and others. I welcome very strongly the fact that this white paper, the one tabled today, says a little more on this subject than did the white paper that was tabled on July 18 of last year and put in *Hansard* of July 19. On that occasion, all that was said was that it would be possible for self-employed people to come into the plan on a voluntary basis. However, no details were given. This white paper, the one we received today, not only says that it is possible for people who are self-employed to come in on a voluntary basis, but it gives a few details. It indicates, for example, not only that a self-employed person will pay 2 per cent, in other words the employee's 1 per cent and the employer's 1 per cent, but it also gives a formula showing that self-employed people who go into the plan will have their contribution rate protected up to a certain point over a certain number of years. This is all to the good, Mr. Chairman.

However, we believe that more steps should be taken by the government to see to it that the plan is universal. One gets into semantics here because he hesitates to use the word "compulsory". I was interested to note that the Canadian Federation of Agriculture, when it presented its brief to the government a while ago, did not shy away from the word "compulsory", but expressed the view that it should be made compulsory. Let us use a less offensive word. Let us say it should be made universal.

There should be all the inducements that could possibly be put forth. There should be a distribution of all the public relations material possible. Let the people know what it is all about, so that our farmers and self-employed people and others will be in the plan, as well as those who are employed and whose contributions can be deducted from their wages by their employers. We think, Mr. Chairman, that, this is an exceedingly important feature of the plan. As I say, we see a slight improvement in today's white

paper over the one we had last July on this question. We think still further improvement is needed in this respect.

I should like to say a word about the plan being funded. This, of course, is the source of a good deal of argument. One can argue both ways as to whether the plan should be funded or whether it should be on a pay as you go basis. I submit this is an area in which there is a great deal of hocus-pocus practised on the people, and that in the end any pension plan is actually a pay as you go proposition. I submit that what you have in connection with this plan is a development fund attached to a pension fund. Well, if that is what we want, let it be clear that is what we are doing. We do not think it is a good enough substitute for the Canada Development Corporation. We think that this is a case in which you are taxing the people, at the same time you are asking them to contribute to their pension, to build up a fund for development purposes, whereas that kind of fund should be built up more honestly, as was provided for by the Canada Development Corporation about which we heard so much last year. However, the Minister of Finance did not even breathe a word about it in his budget speech of last night. We are pleased that this seems to have provided a basis for a better understanding between the federal government and the provinces. But we think that there should be not too much fooling of the people about this. After all, to the extent that we are building up that fund we are taxing people for purposes other than the paying of their pensions.

Mr. Douglas: Taxing the wrong people, too.

Mr. Knowles: We are taxing the people who can least afford to pay the additional amount of taxation.

Now, Mr. Chairman, a point about which we feel there should be a good deal of thinking is the whole question of the way in which this plan is integrated with existing plans. The hon. member for Perth may say he made a good deal of this, and he did. I suggest to him that even on this point he should read the white paper. There are some interesting comments in the white paper on the subject of integration with other plans. I still would urge upon the government that this is an area where a great deal of thinking has got to be done, where a great deal of work has yet to be done. The minister said this afternoon that the federal government is not in a position, by law, to compel other pension plans not to be altered as a result of the introduction of the Canada pension plan. This statement is repeated in the white paper. I understand that and I agree with it.

However, I submit there are people who are worried. There are employees who are working for firms that have pension plans where the management is saying, "Well now, just a minute; we are not going to make any changes until we see how this new plan works." There are threats to people that existing pension benefits will be reduced because of the benefits being provided under the Canada pension plan. I agree with all that is said in the white paper about adjustments, and that there is time to make these adjustments in the ten-year period. However, I feel the government has been negligent in not doing enough public relations work in this field. I believe there should have been more consultations with the trade union movement with organizations like the Canadian teachers federation, with provincial governments and with various bodies that have pension plans, to make sure that the adjustments will be made without any loss to the participants in those various other plans. It is still true, I agree, that most Canadian people do not have this kind of protection, and we should call upon those who are in pension plans to recognize that what we are doing here is trying to improve the position for everybody. However, I suggest there is a job to do in the field of integrating the Canada pension plan with the various existing plans.

I welcome the statement in the white paper to the effect that provincial governments will be permitted to bring their civil servants under this plan, if they wish to do so. I also welcome the statement that federal civil servants will be included in the plan, no matter where they live, no matter where they are employed in Canada. These are good announcements. We are moving in the right direction. Let us do all the things we can to see to it that the plan does provide universal coverage and that all these various angles are covered.

The Chairman: Order; it is my understanding that hon. members have agreed that the spokesmen for the various parties would be allowed to go over the 30 minute limit.

Some hon. Members: Agreed.

Mr. Knowles: I am grateful, Mr. Chairman, but I will not take advantage of that courtesy for more than just a few minutes.

As I have been trying to point out we think this plan, in essence, is good. We have tried to point out the things about it that we regard as good. We have indicated also those various points we feel need to be gone into. We hope that the bill will get second reading soon and that it will go before a special parliamentary committee when we

can go into all of these various angles. I hope that as a result of that discussion we will be able to make improvements in the bill where improvements are called for, and also that we will be able to play our part, as a committee, in doing a public relations job to help the Canadian people understand the full import of this legislation.

The other comments I should like to make include, first of all, a reference to those who are already 70 years of age or over and who are receiving old age security payments of $75 a month. Let us not forget them. Let us not assume, once we get this plan in operation, that those who are now receiving $75 must get only that amount by way of a pension for the rest of their lives. It is good to know that partial pensions under the Canada pension plan will be available in January, 1966. It is good to know that by January, 1975, it will be possible, if the scheme goes through on time, for some people to draw the full benefit. And when that happens, two, or eight, or ten years from now, when some of our people are getting $80 or $90 or over $100 a month as a result of this plan, it will not be good enough to say to the people who were 70 and over in 1964: You got your $75 then and you will have to live on that for the rest of your lives. We say: Keep these people in mind, too. Let us envisage that as we improve the Canada pension plan we shall have to improve the basic federal old age security rate as well.

A few months ago, discussing ways in which we might celebrate Canada's centennial, I suggested that one way of doing so would be to raise old age security payments, getting them up to $100 a month by 1967, the year of our one hundredth birthday. I shall not go into any detail. I merely want to say that in improving the position of those who retire in two, eight, ten or 20 years from now, we should not forget those who have already retired.

The other comment I had in mind to make is this: we must also give active consideration to the position of survivors, dependants and others—greater consideration than seems to have been indicated in today's white paper. May I say that I regard this white paper as more useful in many ways than the one we had last July because it gives more information and shows a fuller appreciation of the subject. However, on the question of survivors and dependants it seems to say less than was said by the minister in her speech, or in the white paper of last year. Maybe this is because of the discussions which have taken place with the provinces in the meantime. But I urge that we should not think that we have done the job in the field of social security when we have adopted in principle a fairly good plan for retirement pensions. There are still these other groups to be considered—survivors, dependants and people who have been obliged to retire early on account of ill health or accident. We have come a long way from the days when we did not have any plan for meeting the social security needs of our people. We have come a long way during the political lifetime of some of us who are still in this house. But there is still a good piece to go.

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

Mr. Patterson: We appreciate the fact that, with the exception of one extensive political diatribe the debate so far has been kept on a most objective level. I feel that when we are facing an issue of the kind we have before us tonight it is as well for us to remember that it will require all the concentration and consideration that we can bring to it, if this measure is to be acceptable and workable.

The resolution which was introduced last year preceding the introduction of the pension bill gave rise to lengthy debate. I do not think it is either necessary or desirable to enter upon an extensive debate on the resolution which is before us this evening. The main consideration should, I believe, be to get this bill before the appropriate committee at the earliest moment so that every aspect may be given careful scrutiny. My remarks will, therefore, be restricted on this occasion.

Objection has been taken to the minister's statement on the ground that it contained too many details. It was also stated that the statement made today by the hon. lady differed in many respects from the one made on a previous occasion. Perhaps I have not been long enough in politics to understand these things, but it seems strange to me that we should prod and urge ministers to make changes in proposed legislation and then, if they do make changes, beat them over the head for doing so.

As I suggested before, I believe that in the situation in which we find ourselves in this house it is well for us to pool our resources and suggestions in order that the best possible legislation may be produced for the benefit of the people of Canada. I would say there is a desire across the country for some means whereby people, when they reach the age of retirement, can be assured of an adequate income upon which to maintain themselves at a decent standard of living. Just how this wish is to be realized and what plan is to be adopted in order to accomplish

this objective is perhaps open to question. However, I do not think there is any question about the fundamental proposition that when people reach retirement age they should be able to enjoy their latter years of life without having to worry about where the next meal will come from. I believe, therefore, that the underlying principle of this measure is sound and worth while.

We have in mind the recommendations and propositions which have been received in support of such a proposal from farm organizations, labour unions and other groups which have lent their support to some form of pension plan, and I would venture the suggestion that there is fairly general feeling in favour of some type of pension plan which would bring to the people an assurance of an adequate income in their declining years. The details of such a plan are, however, the subject of extensive discussion and concern. As has been pointed out tonight, the proposal for a Canada pension plan has received a mixed reception. From some circles has come wholehearted support. In others, there has been an element of wariness; people are wondering whether the proposals are sound, or whether there might not be a better plan than has been suggested up to now.

The third position which has been taken has been one of outright opposition. We ought possibly to concede the point that there may have been some personal interests involved, but on the other hand I believe many Canadians are sincerely questioning the measure and the proposals which have been advanced. As we are aware, one province has already opted out of the plan. Quebec has decided to institute a plan of its own, and there is a serious question whether Ontario is going to go ahead. I believe the minister made a statement some time ago to the effect that if Ontario did not come in the plan would not be feasible. I think that was the gist of the statement, although I accept correction if I am wrong.

In a Canadian Press report in today's Ottawa *Citizen* headed "Renewing pension study", it is said:

> Kenneth Bryden, New Democratic party member of the legislature for Woodbine, said Monday night that Premier Robarts is rumoured prepared to bow out of the Canada pension plan at the Quebec city federal-provincial conference March 31 unless Quebec decides to enter the plan.

So it seems as though there is still a big question whether there will be a Canada pension plan. Because if the premier made the statement to which I referred, and if Ontario did not come in, then the plan would not be feasible. And if this rumour becomes a reality and a fact, then it does not look as though we will have a plan at all. It seems a very serious situation is developing.

I believe the recommendation and the suggestion of the minister that this plan be submitted to a joint committee is very worth while. Before that joint committee, those with worth while suggestions to make and ideas to advance will have the opportunity of doing so. It could be that, with the scrutiny it would receive before a committee, many of the features which are causing some concern in the minds of the people will be resolved, and it will be even more acceptable than it is now.

The major considerations were underlined by the Minister of National Health and Welfare this afternoon, and I believe they are very basic. One of them was that adequate income for retirement years is desirable for the people of Canada, and I think there is no question about that. The problem is that incomes today are themselves inadequate.

A great number of families across the nation have incomes today which are inadequate to meet demands, and people cannot make ends meet. We are faced with the situation that, in an age and an economy of abundance, a great many people are not able to avail themselves of the abundance provided, and instead of enjoying the good things of life during their working years are living on the borderline of destitution. I think this is an indictment of our financial system, and the time is long past due when we should be considering a system which makes it impossible that a situation should arise where our people cannot receive incomes commensurate with the needs of the day.

People are haunted by fear and by the thought of what will happen when they can no longer engage in any kind of employment —when they are put on the shelf, as it were, as far as productive employment is concerned. Many face destitution in the days ahead. Therefore I think it is a sound consideration that some provision must be made whereby our people can have adequate incomes for their retirement years, and this income must be provided for the greatest number of people. The minister also referred, I believe, to this point. It was pointed out that there are about 1,800,000 workers at the present time who are covered by private plans, but this leaves by far the greatest percentage of the people of the country not covered in any way by pension plans. This is a point which should receive the closest study.

The portability of pensions is also very essential. It is very unfair that a worker should lose his pension benefits because for some reason or other he chooses to transfer his services to some other area or place of work. Therefore I believe the principle of portability is an absolute essential if we are

to place our people in a position where they are going to be treated fairly and equitably in this regard.

We have before us, Mr. Chairman, the resolution. We also have before us the white paper which was distributed today. We have listened to the statement made by the Minister of National Health and Welfare. But I believe it is essential that we get the bill before us in order that we have the opportunity of properly judging the measure and assessing its value. Therefore we will reserve any comments until the bill is before us.

[*Translation*]

Mr. Perron: Mr. Chairman, obviously at the resolution stage we cannot raise all the objections nor make all the suggestions which are called for in the case of such an extensive pension plan as the one which is proposed to us.

As far as the resolution before us is concerned, there was mention of a universal scheme; in other circumstances, it was suggested that it was a contributory pension plan and, finally, it can be said that, within a year, we shall probably be talking about a pension plan which would include the needy older people, in order to provide them at least with the basic necessities in an affluent country with a progressive economy and a productivity which has been rising constantly for the last 20 years.

Mr. Chairman, before raising some objections, I wish to put the record straight so that tomorrow or the day after or even later it will not be said that we are against security for older people or, if you like, that security which all Canadians are entitled to. As a matter of fact, if there are Canadians who deserve our attention, they are those who during 20, 30 and even 40 years worked here in our country to leave us the inheritance which we enjoy today in the field of productivity and which enables us to meet the needs of each and every Canadian.

Mr. Chairman, it is a fact that ever since the post-war period we have always been strong advocates of a generous pension plan for our older citizens. In fact, 20 or 25 years ago, when pensions amounted to $35 or $40 a month only, and when very few people were entitled to full benefits, we were advocating pensions of at least $60 a month at age 60. As a supporting argument, we used to point out that automation would become a problem in 10, 15 or 20 years.

It was also our contention that our abundant production should be directed primarily towards local consumption.

Mr. Chairman, the fact that we put forth arguments against the resolution now before us and the legislation which will follow does not mean that we are against a social security program for the aged. I rather think that it is simply a policy statement concerning this so-called universal, portable and contributory pension plan, because whatever name it is given, I am convinced that very few persons know what it is all about, even though a white paper concerning the pension plan was tabled this afternoon. I even suggest that nobody realizes fully the scope of the universal or contributory pension program which has been submitted for our consideration this afternoon. The white paper does not even mention the word "contributory".

I now turn to the press release which was sent to the ten provincial premiers by the right hon. Prime Minister (Mr. Pearson) on January 20, 1964 and which clearly stated the objectives of the pension plan to be considered by the twenty sixth parliament.

Under "coverage", dealing with the persons who can come under the plan, we read this:

> It has been suggested that the plan could make it compulsory for a greater number of persons to be covered. Having examined the matter thoroughly, the federal government still believes that, at least at the beginning, the insurance should be optional for people working on their own account and a few categories of employees—

A little further on, it says:

> In some countries, an almost universal insurance has been achieved by gradually extending the plan. The proposed Canada pension plan does not do away with the possibility of extending the compulsory insurance once the plan has been in force for some time.

A while ago the hon. member for Winnipeg North Centre (Mr. Knowles) wondered whether one could describe the plan as universal or contributory, because the word "contributory" is not to be found in today's white paper. But I think the theory of this project necessarily includes the obligation. If there are old people who deserve our attention concerning these pensions, there are also young people who have to contribute to it and who also deserve our attention.

It is already recognized that a great number of people will not be able to participate in this pension plan immediately, because the existence of a private pension plan is recognized, as in the province of Quebec, where more than 30 per cent of the workers in permament employment already participate in that pension plan on a contributory and voluntary basis for the employee and the employer.

If you consider, on the other hand, that 37 per cent of the labour force in Canada do not have a taxable income under the Income Tax Act, this means that 37 per cent

of the Canadian workers who would be participating in that contributory and compulsory pension plan are not in a position to face their daily obligations because of the cost of living.

I therefore wonder whether that pension plan can be called universal or compulsory.

There is a second point I should like to make concerning the stand taken by our group on that pension plan. It is that social security should normally come under the provinces according to the B.N.A. Act. We already saw, on the occasion of the first document concerning a universal pension legislation, last July, a public protest in at least two provinces, Ontario and Quebec, which objected and advanced sound arguments. Some of those arguments concerned the fact that reserves could be cumulative or accumulated. Other arguments pointed out that it would come in conflict with other plans already established or proposed.

Quite recently, at the end of last week, the minister of family and social welfare in Quebec made it clear that social security should constantly be reviewed, that it should increasingly be directed to our future needs, but in accordance with our present requirements; he especially declared that the state of Quebec should increasingly consider withdrawing from cost-sharing social security plans.

The contributions of workers and employers will support this universal or contributory security fund. However, the province of Quebec is demanding, in fields which are completely under its jurisdiction, the right to administer, according to the needs of its people and the views of its administrators, certain plans which would meet the wishes of the province. At this point, I am only paraphrasing the statement made by the minister of the family and social welfare of the province of Quebec.

When Quebec, or any other province, refuses to participate in this way, under the rights provided by the B.N.A. Act, it creates a paradox: whether the province refuses or not, it will contribute, though its population will not benefit. This has already happened in other fields where it made a contribution without reaping any benefit which was unacceptable to the province of Quebec.

Some suggestions have been made. The attitude of Quebec representatives now seems less rigid than last July as to the necessity of dealing with the matter of portable pensions between the various provinces, so as to enable our wage earners who, until now, contributed to some retirement on pension scheme, to benefit fully from a pension scheme with other provinces. On this point, there does not seem to be much opposition.

This may be discussed and decided on during the federal-provincial conference which will take place on March 30 next. But, meanwhile, we want our position to be known.

What is the basis of the universal and contributory pension plan?

It aims at enabling those people who are not earning enough to save for their retirement to benefit from a pension when they reach that age.

Mr. Chairman, we know that 37 per cent of Canadian workers do not earn enough to pay any taxes. On the other hand, the plan does not seem to apply to wage earners with an income exceeding $4,500. I wonder whether this is not an indirect way to attack those who already do not earn enough to support their families. In short, it is another form of taxation in disguise, nothing else, in the same way as a 1 per cent tax was imposed on all Canadian workers when a $10 increase was granted to 70 year old pensioners.

If this is the contributory pension plan, our group is entirely against it.

Responsibilities should be assumed towards those who have left the people the heritage we are now enjoying in the field of productivity, and I feel that the government should seek some other formula than that of collecting contributions from those who already do not earn enough.

Various suggestions have been made. It is not that we are in favour of the pension plan advocated by Premier Jean Lesage, under which the accumulated reserves would be used for the development of the province of Quebec, but the federal scheme provides for the building up during the first ten years of a reserve which could exceed $2,500 million. It is stated that:

> From 45 to 55 per cent of the plan's reserves will be invested by the Minister of Finance in the securities of provincial governments, or securities guaranteed by provincial governments—

If the reserves are used to finance the construction of bridges, schools and other projects which do not bring any return, the taxpayers will just have to pay twice. They will have to make their compulsory contributions and 10, 20 or 30 years later they will again be called upon to provide by way of taxes or loans the funds required to pay the pensions. Such is the pension plan provided by the government.

If we are, in principle, against some points of this contributory pension plan, it is not because we want to accept the plan of Mr. Lesage. We suggest that this is a way of draining the savings of the small wage earners to invest them in uneconomic projects on the part of the government.

Besides, this was stated clearly enough by Mr. Gerin-Lajoie, and we could read in *La Presse* of July 3 last:

—it is reported that the minister of youth, Mr. Gerin-Lajoie, already plans to set up a school credit board which would feed on the pension fund of Mr. Lesage. This board would make loans or would in turn allow school boards to borrow from the fund in order to build schools with repayment conditions in keeping with their means.

If there is no opposition today on the part of the ministers of the province of Quebec, it is perhaps an intimation they may benefit, within the limits of 45 to 55 per cent, from the contributions made by the inhabitants of the province to this pension plan. But, if the question is simply a matter of dollars, for Mr. Lesage as well as the Minister of National Health and Welfare (Miss LaMarsh), who is introducing the resolution, to allow Canadian citizens in the year 2015 to have bread, I wonder why this plan should provide that in 1970 heads of families with an average income of $2,000 to $3,000 deprive themselves of bread to allow Canadian citizens to have some in the year 2015.

Is this a matter of dollars? Unless it is intended to impose on us merely a problem of a plan? If it is simply a problem of a plan, at which some N.D.P. representatives in this house are adept, I may say that we are right on the subject; we shall make plans.

But if it is a need for dollars which prompts the provincial government to participate in or agree to this plan, or to initiate its own plan in order to ensure greater benefits for the taxpayers of the province of Quebec, I believe it is normal we should put forward here, as Creditistes, our own point of view in the field of pensions, particularly as concerns the plan submitted to us today.

If it is a matter of dollars, let us see what our old people need and what they shall want in future, this year and 10 or 20 years from now. Nothing but a bit of comfort, in accordance with what their country's productivity can offer them for their old age, to wit, appropriate medical care and a sound and reasonable well-being, as concerns food, clothing and housing, in keeping with the standards of living of this 20th century.

To sum up, this is what our older people will wish in the year 1970 or in the year 2000, or even in the year 2015, and nothing else.

Today, under the pretext of establishing a plan which would offer all that, the salary of the average worker, of the small industrial wage earner is again to be drained by taxes in order to establish a universal, compulsory and contributory pension scheme.

I think that the hon. Minister of National Health and Welfare who gets a considerable percentage of the annual budget—more particularly when we realize that 15 per cent of the budget will be used to pay the dictators of finance instead of helping production—should try to find a formula to improve the security of those older people who built up this country and, after 25, 30 or 40 years of of hard work contributed to the economic development we know today.

How will our young people of today and tomorrow, who will reap the benefits of automation and scientific progress, while productivity is ever increasing, be made to contribute to that plan?

Statistics show that the trend is more and more to free man by the use of machines.

Therefore, if it is only a financial problem, why not seek a solution elsewhere?

In the last several months, we have been making many suggestions in order to review the monetary policy of our country, and permit the establishment of a single social security program.

To date, they seem to have understood nothing, absolutely nothing. And yet, we are not the only ones urging for a revision of our monetary policy in order to make way for the development of a social security plan.

I have here part of a speech made by Mr. Benoit Michaud, an hon. member for Madawaska-Restigouche—a Liberal member, if you please—on June 24, 1947, in which reference was made to the increase from $25 to $30 per month in the old age pension. After pointing out that the government could not make the increase larger because the financial system did not permit it, Mr. Michaud suggested a reform of the monetary system to do away with the national debt charges which, at that time, came to $434 million.

Now, the interest on our national debt, which was less than half a billion dollars in 1947, has now gone beyond a billion dollars, according to the budget just put before us. In short, the interest on the debt has doubled since 1947.

How can you predict 50 years in advance what benefits the worker will receive, when you cannot do it for 30 or 35 years to come?

Mr. Chairman, we are being asked today to accept a principle which is illogical in its application, following which other bills bearing the same inconsistencies will be imposed upon us.

A few years ago, the unemployment insurance fund was set up to ensure the security of workers. At one time, accumulated funds totalled more than $900 million. At the time, actuaries had established the amount of the contributions to be paid by both employees and employers.

Thus was set up the unemployment insurance fund which the government has to replenish constantly, even though a decreasing number of workers are entitled to benefits. Benefit entitlement has been made so complicated, through all kinds of amendments to the act, that many of our workers can no longer draw unemployment insurance benefits, even though they contributed to the fund during 10, 15 or 20 years.

The same situation will probably occur in the case of contributory pensions, because, on the one hand, you will have administrative regulations and an all-powerful and expensive bureaucracy, and on the other, small pensions of $75, $80 or $90 a month for the wage earners.

Some provinces such as British Columbia, already find it possible to pay up to $95 a month to old age pensioners. Why this rush with this pension scheme? It is merely another intrusion in a field of exclusive provincial jurisdiction. By coming into this plan the provinces will only lose their rights.

The pension plan will thus have been reduced from 70 to 65 years in 1970. In the meantime, the provincial governments will have lost their rights progressively while the federal government will administer the payroll of the workers.

The federal government is increasingly centralizing tremendous and discretionary powers, drawing no attention to existing plans or those which are at cross purposes with the plan now in existence.

The hon. member for Winnipeg North Centre referred a while ago to crown corporation employees who are now contributing to pension plans and who would, in three, four or ten years, enjoy a pension proportionate to their contributions up to $400 a month. He said that those employees are now wondering what purpose will be achieved by the new pension plan.

I repeat that in the province of Quebec 30 per cent of the workers already contribute to pension funds allowing them in many instances to get, when they retire, amounts much higher than those shown in the pension plan now before us. Why is that possible? Because instead of investing in non-profit or government controlled businesses an accrued capital of $2 billion, employers and employees jointly, or private companies managing these pension schemes, invest those funds in profitable private enterprises or they buy bonds which double the capital after 20 years.

The first contributions thus paid into the pension fund enable the pensioner to profit from amounts reaching sometimes up to 60 per cent of his salary earned annually during his years of work, while the pension plan which we have before us today does not exceed 20 per cent of the earned salary during the normal lifetime of the person who will have contributed, worked and contributed again to that pension plan.

This means that the pension plans already in existence are more profitable to the worker contributing thereto.

Why should provincial governments not make as much publicity in order to direct capital investment towards private industries. This would promote expansion of private industries which need capital to develop natural resources, thereby permitting an accumulation of funds which would make it possible to give old age pensioners a better pension than is offered under the plan before us today, even though employees and employers would contribute 1 and 1½ per cent.

Another thing, Mr. Chairman, we know the results produced by previous contributory and compulsory plans. We are turning our employers into fund collectors for the federal government and, furthermore, these collections will come out of the pay envelopes of the small wage earners; in short, beside their own contribution on a compulsory basis at the rate of 1 or 1½ per cent, the employers will see the operating cost of their enterprise go up.

Nowadays, employees, secretaries, are paid to paste stamps on unemployment insurance books, some are paid to comply with income tax requirements; extra staff is hired, in private enterprise, to comply with sales tax requirements and still more people will have to be hired, which will justify, of course, private enterprise for increasing the costs of its services or the products it puts on the market.

That is the bureaucratic burden which will result from the administration of compulsory, universal and contributory pension plans set up by the government.

For all those reasons, as a member of the Ralliement Creditistes, I raise a few objections at this time. We hope to have the opportunity to explain them more fully when the bill is presented to the committee. That is why we will not delay the adoption of the resolution, but we will propose amendments and make suggestions which, I hope, will be seriously considered by the minister.

[*Text*]

Mr. Benson: Mr. Chairman, although the Minister of National Health and Welfare indicated that I would make a statement on the financial aspects of this resolution, I am quite willing to defer this statement until second reading of the bill, if it is the desire of the committee to proceed with the question, and first reading, in order to see the bill at this time.

Some hon. Members: Carried.

Some hon. Members: Go ahead.

Mr. Benson: Since it is not the unanimous desire of the committee—

Some hon. Members: Yes.

Mr. Monteith: We want to hear your words of wisdom.

Mr. Winkler: We want all the information we can get.

Mr. Macdonald: The Tories object.

Mr. Benson: Mr. Chairman, I am pleased to have this opportunity to speak briefly concerning some of the financial and administrative aspects of the Canada pension plan, which is the subject of the resolution now before the house. It is my intention to deal with these matters in broad outline at this stage, but I will be prepared at second reading to go into somewhat more detail when hon. members have had an opportunity to scrutinize the bill in detail.

Generally, I think that the financial aspects of the resolution can be broken down under the following headings:

1. Benefits under the present old age security pension.
2. Benefits under the Canada pension plan.
3. Method of financing the Canada pension plan.
4. The handling of reserves which will accumulate under the Canada pension plan.

First of all, I will deal with the present old age security pension of $75 per month available to everyone at the age of 70. The proposed legislation does not in any way reduce benefits available under this plan. However, it does provide that at the option of the beneficiary he or she may elect to take a pension which will provide, roughly, equivalent benefits at any time between age 65 and 70. The amount received at age 70, if the election is left until that time, will still be $75 per month. However, if one decides to take the pension before age 70, the amount received will be somewhat less because the period of expected payment will be longer. If, for example, a person takes the old age security pension at age 65, he or she will receive $51 per month during his or her remaining life. If the election is made at age 67½, the pension for life will be $63 per month while, of course, if one waits to the age of 70 before election the pension will be $75 per month.

This old age security pension, Mr. Chairman, will continue to be financed by the old age security taxes, consisting of 3 per cent of the sales tax, 3 per cent of corporation income taxes and 4 per cent of personal income taxes, to a maximum of $120 per annum. As I stated when this pension was increased $10 during the last session, this fund is now on a basis where it will be adequate to finance benefits.

Next, Mr. Chairman, I will deal with benefits under the Canada pension plan. The benefits under this plan will be available to all persons who are or become employed in participating provinces after the plan goes into effect, and to all self-employed persons in participating provinces who choose to contribute to the plan. The scale of benefits received will be related to the earnings of contributors over the period during which they contribute to the plan.

The amount of pension received under the Canada pension plan, as distinguished from the present old age security pension, will amount to 20 per cent of average monthly earnings, so that after a 10 year transition period a person whose average monthly earnings were $100 per month will receive a Canada pension plan benefit of $20 per month on retirement. Earnings of $250 per month will produce a pension of $50 per month, and so on, to a maximum Canada pension plan benefit of $75 per month for those with earnings of $375 per month or more. I should point out, Mr. Chairman, that after a five year period the pension will be somewhat higher if the average industrial wage rises above the present level.

Thus, in summary, Mr. Chairman, depending when one elects to take their old age security pension the maximum combined old age security pension and Canada pension plan pension, based on present wage levels, would be $150 per month at age 70 or $126 per month at age 65.

Before leaving the question of benefits, Mr. Chairman, I should also point out that Canada pension plan benefits, as contrasted with old age security benefits, are the same at age 65 or age 70, so in fairness a person must actually retire, in order to be eligible for their Canada pension plan benefits, between age 65 and age 70.

However, there will be an advantage to working between age 65 and 70, in that for each year worked a year of low earnings may be dropped in computing one's average earnings. In addition, retired persons will be able to have modest part-time earnings without affecting their pension. A further point of interest is that in calculating the average earnings on which benefits are based, past earnings will be adjusted based on the ratio of the average industrial wage at retirement as compared to that existing at the time the contributions were made.

The transitional period for the graduated pension will be ten years. People who retire right after the first year of the program, if

eligible, will receive one tenth of the benefit they would have received if they had contributed for ten years or more. Those who retire after having made contributions for the first two years of the program will receive one fifth of the benefit they would have received for contributions for ten years or more, and so on. People who retire after making contributions for the first ten years of the program will have their benefits calculated at 20 per cent of their average contributory earnings over that period.

As stated in the resolution before the committee, Mr. Chairman, it is also proposed that some of the contributor's benefits will be available to a surviving spouse. At age 65 a widow or a widower will be entitled to the larger part of, (a) her or his own Canada pension plan pension, or (b) 60 per cent of the combined Canada pension plan pensions of the couple, subject however to the maximum which applies at the time to the total pension which may be paid to any one person.

I should like now to deal briefly with the financing of the Canada pension plan. First of all, I should like to make it abundantly clear that this plan is to be financed out of earnings related to contributions of employees, employers and self-employed persons. The contributions will be an allowable deduction for income tax purposes. The Canada pension plan is not going to involve any charge whatsoever against the general taxation revenue of Canada. Indeed, Mr. Chairman, I should go further and state that the costs of administering the plan are to be financed out of contributions and not out of general taxation revenues. In this connection, I should like to point out to the hon. member for Perth that the Prime Minister did not say the administrative costs would not be included under the Canada pension plan.

Mr. Monteith: Pardon me, Mr. Chairman, he said they would at the beginning.

Mr. Benson: If the hon. member would let me conclude my statement—

Mr. Monteith: That is what I said.

Miss LaMarsh: That is not what you said.

Mr. Monteith: This is the first interruption, so you people across there should not harass us at this stage.

Mr. Benson: If I may continue, Mr. Chairman, the Prime Minister said the costs of the administrative machinery set up before collections started will require advances from the treasury.

Mr. Monteith: That is what I said.

Mr. Benson: That is what the Prime Minister said. These will be repaid from contributions when the plan is in operation.

Participation in the plan, Mr. Chairman, is to be compulsory for all employed persons, and the rate of contributions will be 1 per cent of wages by employer and employee to a maximum annual contribution of $90 per employee or $7.50 a month at the top earning level of $375 per month. It is proposed, based on carefully prepared actuarial reports, that these rates of contribution will continue for 15 years and that thereafter they will rise slowly to a maximum of 2 per cent per employee and employer in the year 2015.

It is the intention to have actuarial reports on the Canada pension plan prepared every five years. The rates of contributions are to be set out in the legislation, and while there will be authority to postpone an increase in contributions, this can only be done on the basis of the then current actuarial report. The self-employed person will have the right to contribute under the Canada pension plan and to receive benefits thereunder. In this case, the allowable contributions for the first 15 years will be 2 per cent of income up to $4,500 per annum before deducting personal exemptions.

A good many people who are presently participating in pension plans have asked the question, what happens to my present pension under the Canada pension plan? I should like to make it quite clear that in no case should there be a reduction in total benefits received by these people and for many total benefits will be increased.

Much has been said about the problem of integration, Mr. Chairman, but the government is planning integration of the largest pension plan in this country, namely that of federal civil servants, and has encountered no great difficulties. There will be no loss of benefits to civil servants on retirement. While we recognize that problems of integration for some existing industrial plans will be complicated, they certainly cannot be regarded as insoluble. As a matter of fact, Mr. Chairman, many of these plans presently take into consideration the old age security pension which has increased over the years. I believe that integration with the Canada pension plan will be no more difficult in this country than it has been in other countries with contributory social insurance programs. I think that one will see a great increase in private pension plans in Canada, for the Canada pension plan will make employers and employees more pension conscious. They will look for ways of supplementing the basic pension provided from age 65 by the Canada pension plan and the old age security pension.

I should like now to deal very briefly with the handling of the modest reserves which actuarial reports indicate will accumulate under the Canada pension plan. I use the word "modest" intentionally and in all sincerity because although these reserves appear substantial in dollar amount, they are quite modest in terms of benefits payable under the plan. These reserves are to be held in a separate fund. It is the intention of the government to invest approximately 50 per cent of these reserves in provincial or provincially guaranteed securities based on Canada pension plan contributions from the various participating provinces, and the remaining 50 per cent is to be invested in government of Canada securities. It is proposed to require in the legislation periodic consultations between the minister of finance and the provincial treasurers in this regard.

In closing, Mr. Chairman, I wish to point out first, the plan is to be administered by the department of health and welfare who will be responsible for the payment of benefits, and that contributions under the plan are to be administered by the Department of National Revenue, and appropriate safeguards will be written into the legislation to assure that contributions are properly remitted.

The Canada pension plan proposed by this resolution will be of great benefit to all Canadians. I respectfully suggest that we move through the resolution stage as soon as possible so that all hon. members may have the opportunity of seeing the bill and of discussing it fully in an informed manner, both on second reading and when it is referred to the joint committee mentioned by the Minister of National Health and Welfare.

Mr. Nugent: Mr. Chairman, I hope I will not be very long in making my remarks tonight. I am sure I will hear that hope echoed very quickly from the other side. I think it is important to take a quick look, even at the resolution stage, to make sure that we are starting correctly on this pension plan. I am sure that all members in this house have probably, during the last political campaign or two, stated they were in favour of a pension plan for all Canadians. I have no doubt that every member in the house is anxious to see some pension plan brought forward. It is certainly a political hot potato. I do not think the political future of any member who is against a pension plan would be very secure. It is precisely this aspect of the situation that bothers me. I believe the feeling of political fear over this subject has become so intense that there is danger of our failing to be as critical as we should be, if this plan is to be all we hope it will be. Certainly, on the opposition side of the house it is our duty to take a critical look at this legislation to see that it does not contain the seeds of future trouble, and ensure that we get off on the right foot.

Frankly, I am bothered by several aspects of the resolution. To begin with, there is, I am sure, a desire in the committee to pass this stage without delay and I am wondering why there should be such a rush in connection with so important a measure. The sums of money involved in this scheme are large enough to stagger the imagination. It is a long term scheme affecting a great many people. It is a most complex subject. The sums of money which could be wasted if there is a mistake in the accounting or in the actuarial figures are of sufficient importance that we should be prepared to take a second look, check and recheck, to make sure where we are going. It is true the government has expressed a desire to get this through before Easter, but I am sure all of us who regarded that announcement with pleasure were not expecting to have a budget brought down before the recess. In other words, we had expected there would be a few more days in which to consider this measure at the resolution stage. I would say there are sufficient grounds for taking a further look at it because closer examination shows certain danger signals.

I notice that the hon. member for Parry Sound-Muskoka spoke on this subject during the debate on the address. He said he was in favour of a pension plan, but he also pointed out that it was his duty to be critical. He did a good job of analysing those parts of the plan which, he thought, could lead to trouble. He pointed out where it might be strengthened and, where, in his view, danger might exist. As a result there was a great deal of talk in his constituency, a great deal of political propaganda to the effect that he was against the bill. We are all aware that the Prime Minister suggested to this house that because we were questioning some aspects of it we were against a pension plan. I believe all hon. members must be reminded that their first duty is to make sure of the precise nature of the legislation with which they are asked to deal, and not to be unduly conscious of how political opponents may try to paint them. We must make sure we are right, and if someone else misrepresents our position, we have to put up with it.

There is one intimation that the pension plan may not be exactly what Canada wants. It is a fact that the province of Quebec did not consent to participate. If Premier Lesage and his government have decided that this pension plan is not worthy of their participation, this is some indication that either they

have holes in their heads or that we had better stop and take a look at what we are doing. Of course, we cannot agree with Premier Lesage all the time, but obviously he has taken a long and serious look at the basic principles of the pension plan proposed to this parliament and has decided that it represents a wrong approach. Having received a warning to this extent, I believe the government should pause, reconsider and make sure we are moving in the right direction. It is not merely the absence of participation by the particular province of Quebec that makes this so noteworthy. It is the fact that this is supposed to be the Canada pension plan, and we are leaving out one province. This is the aspect of the basis on which we are proceeding that gives me most trouble. I cannot convince myself that enough time and effort have been spent by the government, that there have been enough negotiations with the provinces, or sufficient consideration of this plan. I cannot believe it would not have been possible to have arrived at some plan acceptable to all the provinces, a plan which could have been a truly national plan covering all Canada.

All members of this house will recall the distinctly political way in which the minister outlined the pension plan last year. We know there has been a considerable amount of discussion since then and that there have been a number of changes. My caution about the need to go slowly in this regard is borne out by this past performance. There have been many changes. The process of consultation and reconsideration has resulted in considerable changes in the basic approach. I would very much like to see a plan which included participation by Quebec. It is not the fact that one province is left out that is so serious. We are all Canadians and we should be treated equally. It is the fact that as a result of the exclusion of one province the plan is less desirable from the point of view of all the other provinces. People do change their jobs. They are shifted from one province to another. They might even find themselves shifted into Quebec. That they should be worried about this aspect seems to me to be most regrettable.

I should like the committee to consider what is, in my view, an excellent statement appearing in the *Financial Post* on the front page of the March 14, 1964 issue under the heading "Need Close Look at Pension Perils". It reads in part:

> Every responsible Canadian has to be concerned with the economic health and social welfare of his fellow citizens. This concern must extend far beyond next year and the next. It stretches onward to the decades when it is the children of today's policymakers and voters who will be the beneficiaries or the victims of current decisions.
>
> In the contentious Canada pension plan we have an excellent example of long term policy making problems. Basic decisions made in coming months about government pensions are decisions with which this country and its people will be stuck for generations. Once created and set in motion, a government pension program is a juggernaut that cannot be halted and over which nobody, including the government of the day, will have effective control.
>
> Some kind of pension arrangement is sensible and desirable in our kind of society.
>
> But there is so much election day power and magic in the very word "pension", and so very little general understanding of the mathematical and economic complexities of the subject, that Canadians may soon be swept along into a reckless decision about pensions which will be a curse to this nation for a very long time to come.
>
> To those who make up their minds on a fast, superficial glance at the question, there is undoubted appeal in a pension scheme run by Ottawa. That would look neat and tidy.
>
> An Ottawa plan, of course, has infinite appeal for people at Ottawa. The bestower of apparent blessings can expect enthusiastic gratitude at the polls. It would add a powerful new device to the many devices central government now has for "redistributing" the personal earnings of the individual Canadians.
>
> However, the dream of a completely centralized national pension colossus has been ended by the Quebec decision not to go along.
>
> Premier Robarts of Ontario still refuses to be stampeded. He takes the sensible view that the key issue is not just getting any "pension plan", but what the pension plan adopted will actually do for Canadians and for Canada.

There is more than one province left out. There are hordes of people left out who are not covered by the pension. The ordinary working man who is going to get the benefit of this pension is just as anxious to have a plan to protect his widow and young children, or protect his orphaned children if both should die. This is as much a concern for him as concern about whether he will have something to retire on at 65 or 70. This basic approach to the whole problem, whether we are just taking care of him in his old age or whether we are looking after the equally important part of this problem, should be considered at this time, when we are starting to introduce the plan. The working people in Canada are concerned that the government bring forward a plan where, if after 10 or 15 years with one employer a man is fired or has to change employment, provision is made that the benefits he has built up under his own plan will not be entirely lost.

I said I was going to keep my remarks brief, Mr. Chairman. Many criticisms can be made of the plan, and I agree with my friends that after we see the bill some may disappear and new criticisms may arise. I think the best thing which could happen to

this pension plan would be to make one more try to see if the province of Quebec can be persuaded to come in. I should like to see an all-Canada plan, because I am a little mystified about what will happen in two or three years if one of the other provinces decides that the plan is not working too well, and wants to start its own. Does the province of Quebec have any more right than any other province to stay out? I suggest the answer is no, and that the willingness of other provinces to go along with the plan may change if the plan does not work properly. The best way, and the only safe way, is to get the kind of plan which receives the consent of all and is entered into by the Dominion of Canada, and the governments of all the provinces.

Resolution reported and concurred in.

Miss LaMarsh thereupon moved for leave to introduce Bill No. C-75, to establish a comprehensive program of old age pensions in Canada payable to contributors and survivors.

Motion agreed to and bill read the first time.

BUSINESS OF THE HOUSE

Mr. Churchill: Could we call it eleven o'clock, Mr. Speaker? The business has been outlined for us for the next few days.

Mr. Knowles: Before you call it eleven o'clock, Mr. Speaker, I wonder whether I might make a suggestion to the appropriate person. I am sure there will be a great deal of interest in today's *Hansard,* particularly because of the white paper contained therein, let alone the statements which have been made by spokesmen for all parties. I am sure there will be a great deal of interest in the bill, first reading of which has just been given. I wonder whether the Minister of National Health and Welfare, or somebody else, can advise the printing bureau that it might be a good idea to print extra copies of today's *Hansard,* and of the bill?

Mr. Favreau: I can advise the house that we will try all we can to bring this about.

Mr. Knowles: In both languages, of course.

Mr. Deputy Speaker: It being eleven o'clock this house stands adjourned until 2.30 tomorrow afternoon.

At eleven o'clock the house adjourned without question put.

APPENDIX

CANADA PENSION PLAN—WHITE PAPER

The purpose of the government's proposed legislation is to ensure that, as soon as is possible in a fair and practical way, all Canadians will be able to retire in security and with dignity.

The advantage of a federal plan is that it is the only type of pension plan that can be made available comprehensively to all Canadians. This was recognized in 1951 when the British North America Act was amended. The Canada pension plan will mean that a contributory program is available to Canadians to provide for their old age. However, as the provision of pensions is a field in which both provincial and federal governments have jurisdiction, the Canada pension plan will not be extended to people covered under a comparable provincial pension plan, providing a similar level of benefits on a universal basis. The province of Quebec has indicated that it intends to introduce such a plan for residents of that province.

Under the federal plan, coverage will be compulsory for, broadly, all employees in participating provinces; such exceptions as are made will be for those types of employment in which the collection of contributions is not administratively feasible. Most other people having earned incomes—broadly, the self employed and the majority of employees not covered compulsorily—will be able to belong to the plan voluntarily. If a provincial government wishes, its employees will be covered. Federal employees in a non-participating province will be covered by the Canada pension plan.

The plan is comprehensive in the sense of covering as many people as is practicable. It is not intended to provide all the retirement income which many Canadians wish to have. This is a matter of individual choice and, in the government's view, should properly be left to personal savings and to private pension plans, subject in the latter case to such degree of supervision as the provinces may think appropriate. The 1963 Ontario legislation is the first example in Canada of an attempt at close supervision of private plans.

The purpose of the Canada pension plan is to make reasonable minimum levels of income available at normal retirement ages. There will be scope for the continuation and extension of private pension plans to provide benefits over these minimum levels.

The present minimum provided in Canada is the old age security benefit of $75 a month from age 70. Unfortunately, many people are unable to go on earning until they reach age 70.

Realistic minimum levels of pensions cannot be achieved, in a country like Canada, simply by increasing the flat rate pension. Living costs vary greatly between town and country, and between different regions of Canada. What people need, in order to make satisfactory provision for retirement, is related in part to the level of earnings to which they have been accustomed. The Canada pension plan will therefore provide new levels of pensions related to previous earnings.

Main Features

The government proposes to make these main changes in the provision of pensions:

1. Contributors to the plan will receive a monthly pension related to the earnings on which they have contributed. The scale of pensions will rise during a ten year transitional period to a level of 20 per cent of average earnings.

2. A flat rate old age security pension will be available at any age between 65 and 70, according to the preference of the pensioner. The amount of the pension will be graduated so that anyone with average life expectancy will receive about the same total payment, from the age he starts his pension to the time he dies, whatever starting age he chooses.

3. The earnings-related Canada pension will also be available to contributors at any age between 65 and 70, provided they have retired from regular employment. There will be no retirement condition at age 70.

4. Both the flat rate pension and the earnings-related pension will be available in 1966 to people who have reached age 69, in 1967 to people from age 68, in 1968 to people from age 67, in 1969 to people from age 66, and in 1970 to people from age 65.

The main features in the financing of the plan are:

5. Since the new benefits will be related to earnings, the Canada pension plan will be financed by contributions of a percentage of earnings. The rate of the employer's contribution during the first 15 years will be 1 per cent of the earnings on which contributions are made. The rate for employees will also be 1 per cent. During this period the rate for self employed contributors will be 2 per cent.

6. For the first five years of the plan, contributions will be made, and benefits will be paid, on the first $4,500 of annual earnings. This level will be adjusted in 1970 and thereafter in line with increases in average earnings.

7. Contributions will be deductible from taxable income. This is the same as for private pension plans.

8. The Canada pension plan will be entirely self financing. The contributions are designed to cover both the cost of benefits and the cost of administration. The costs of the flat rate pension will be met from the old age security fund.

Timing

The legislation will be designed to permit collection of contributions to begin in January 1965, so that payment of benefits can begin in January 1966. At that date also, people will become able to draw pensions, both flat rate and earnings-related, at age 69. By 1970 these pensions will be available at age 65.

Until the plan is ten years old, the rates of the new pension will build up steadily. In 1966, the earnings-related benefit at age 69 or 70 will be 2 per cent of earnings, or $7.50 a month for anyone who retires after contributing on earnings of $4,500 for a year. For anyone retiring at age 68 or older in 1967, the maximum will be $15 a month, and so on until the top rate of 20 per cent of earnings is reached after ten years. The flat rate pension will, of course, be available in addition to the Canada pension. The amounts available in total pensions will therefore rise from $75 to people already retired to $150 for contributors aged 70 with average earnings of $4500 in 1975.

Financing

Contributions under the plan will not be required before the age of 18. They will stop at whatever age, between 65 and 70, a pension benefit is taken.

For the first 15 years of the program the contribution rate will be 1 per cent of contributory earnings payable for the employee and 1 per cent of contributory earnings for the employer. During the following 35 years, these rates will rise in steps of a quarter of one per cent, to a rate of 2 per cent for the year 2015 onward. There will be provision to defer these contribution increases if they prove to be financially unnecessary.

The ratio of benefits to contributions is especially favourable for those who retire during the early years of the plan. It is therefore reasonable during this period to assess the voluntary contributor at the combined employer and employee rate. However, after the program has been in operation for a period of time and adjustments are made in contribution rates, the rate paid by voluntary contributors will remain at the rate for the employee, plus 1 per cent. For example, when the employee's rate is 1½ per cent, with an equal contribution by the employer, the rate for the self employed will be 2½ per cent.

The contribution rates set out above will result in the building up of fairly substantial reserves, estimated at about $2.5 billion (before interest) during the first ten years. Periodic actuarial reports will be published on the anticipated revenues and expenditures of the fund in the future. These will be reviewed by an advisory committee in its report to the government on the operation of the plan.

From 45 per cent to 55 per cent of the plan's reserves will be invested by the Minister of Finance in the securities of provincial governments, or securities guaranteed by provincial governments, in proportion to the amount of contributions paid into the plan by residents of each province. Provincial governments will thus have an important interest in the operations of the plan, and in any proposed amendments which might affect the future size of the reserves.

There will be provisions to require a special actuarial report on the future cost of any proposals to amend the benefits or other features of the plan.

Calculation of Benefits

Pensions are to be 20 per cent of "what a man has been earning".

This obviously cannot mean what the pensioner earned in, say, the last year, or even few years, before beginning the pension. That would be very unfair to the man who suffered sickness or unemployment in the last few years before retirement. On the other hand, the pensioner cannot be allowed to pick the best year or few years of his earnings record; that would excessively favour the man whose earnings have been erratic and it would tempt voluntary contributors to contribute only in good years.

The pension benefit will therefore be based on the man's average earnings from the effective date of the plan to the time when he starts to draw his pension. These earnings cannot, however, be used without adjustment. To do so would mean that, as the general level of earnings rises over the years, there would be a widening span between earnings recorded in the early years and those shortly before retirement. The pension benefits paid would therefore be a declining proportion of "what a man has been earning" shortly before retirement.

Accordingly, for calculating pensions, earnings will be adjusted in line with changes in

the general level of salaries and wages. The current average of salaries and wages in Canada is roughly $4,000 a year. The ceiling chosen for earnings under the Canada pension plan has been set somewhat higher than this at $4,500 for the first five years of the plan. This ceiling will afterwards be adjusted with changes in the general level of wages and salaries. The pension program will therefore permanently provide a satisfactory standard of pensions for people with earnings up to the average level.

In the calculation of a man's average contributory earnings, his wages or salary for, say, 1970 will be adjusted by the ratio between the average earnings ceilings in the three years before retirement and the ceiling for 1970. This will be done for each year for which he contributes. In this way his past earnings will be revalued to their current equivalent before his average earnings are calculated.

Under this formula, a man who in some years does not contribute to the plan will get a smaller pension than if he contributed all the time. However, it is important not to penalize people whose earnings in some years are abnormally low because of sickness and unemployment. This will be avoided, to a reasonable degree, by excluding a man's years of lowest earnings from the calculation of his average earnings. Also, for each year beyond 65 that a man continues to work, he will be able to exclude, from the calculation of his average earnings, an additional low year. This will provide an incentive to go on working after 65, for the man who is able to do so without any large reduction in pay.

The earnings-related and flat rate pensions will be paid to beneficiaries in one cheque. At existing wage levels the total pension available to a single person at age 70 will range from $75 to $150 monthly, as indicated in the following table:

Combined Pension available to Single Contributor at age 70, by Average Monthly Pensionable Earnings

Average Monthly Pensionable Earnings	Monthly Pension Payable		
	Earnings-related Pension	Flat rate Pension	Combined Pension
$	$	$	$
nil	nil	75	75
100	20	75	95
150	30	75	105
200	40	75	115
250	50	75	125
300	60	75	135
350	70	75	145
375	75	75	150

Adjustment for Age

The size of the earnings-related benefit will not be reduced for people who claim it before age 70, provided they are retired from regular employment. The pension is set at 20 per cent of average earnings, at whatever age it is claimed.

Flat rate pensions drawn before the age of 70, on the other hand, will be reduced by 40 cents for each month between the date when the pension starts and the date of the pensioner's seventieth birthday. For anyone who takes his pension at the earliest opportunity, when he reaches 65, the pension received would be $51. The reduction at ages between 65 and 70 would be proportional to this.

There will be no retirement test for the flat rate pension: a man may start drawing the appropriate rate of pension at any time between his 65th and 70th birthdays, whatever his other earnings. Once he elects to draw his pension he cannot go off pension for a while and then come back on at a higher rate.

At existing wage levels the total pension available to a single person at age 65 will range from $51 to $126 monthly, as indicated in the following table:

Total Pension available to Single Contributor at age 65, by Average Monthly Pensionable Earnings

Average Monthly Pensionable Earnings	Monthly Pension
$	$
nil	51
100	71
150	81
200	91
250	101
300	111
350	121
375	126

Definition of Retirement

Between ages 65 and 70, the earnings-related benefit will be payable only to people who have retired from regular employment. The test of retirement will be a test of earnings from work. Earnings will consist of all wages and salaries received for services rendered in the year, plus any net earnings and minus any net loss from self employment for the same year.

Deductions will be made from the benefit of a contributor under age 70 if his annual earnings after the benefit becomes payable to him exceed $900 a year, or a proportionate amount if he retires part way through the year. When earnings exceed $900 a year, but

not $1,500, the total benefits for that year will be reduced by one half the excess, except that no benefit will be reduced for any month for which the earnings do not exceed $75.

When earnings exceed $1,500 a year, the benefits for that year will be reduced by $300 (which is one half the difference between $1,500 and $900) plus the earnings in excess of $1,500, except again that no benefit will be reduced for any month for which earnings do not exceed $75. These $75, $900 and $1,500 limits will apply for the first five years of the program, and then will be adjusted as the earnings ceiling is adjusted, to reflect changes in the general level of earnings.

Widows and Widowers

A widow or widower will be entitled, from age 65, to the larger of (a) her or his own earnings-related pension, or (b) 60 per cent of the combined earnings-related pensions of the couple—subject, however, to the maximum which applies at the time to the total pension which may be paid to any one person.

The survivor will of course be entitled to the old age security pension at $75 a month, or at a lesser rate, depending upon the age at which the pension is claimed.

The pension available to a widow will thus be rather more than half the combined pensions of the couple.

This provision will apply equally to a widow or, if a deceased wife had earned income entitling her to a pension, to a widower.

Administration

The Department of National Health and Welfare will administer the Canada pension plan. The contributions under the plan will be collected by the Department of National Revenue. Employers will be responsible for deductions from their employees' earnings and will then remit these deductions monthly, together with their own contributions, to that department. Voluntary participants will make annual payments to the department.

The Department of National Health and Welfare will be responsible for the payment of benefits. The Department of National Revenue will forward to the Department of National Health and Welfare the record of pensionable earnings so that this information can be credited to each individual contributor's account.

The maintenance of the records and the calculation of benefits will be achieved through the use of modern data processing equipment.

The necessary provisions will be made for appeal procedures to ensure that contributors, beneficiaries and employers may have an impartial review of any disputes which may arise in relation to the program.

Authority will be provided to work out reciprocal agreements with other countries, to provide portability of pensions for people who move between countries.

Relation to Other Pension Plans

A great contribution to old age security has been made, and will continue to be made, by the considerable growth of private pension plans, which now cover more than 1,800,000 people in Canada. Not all of these plans, however, provide sizeable pensions, particularly for workers who do not join the plan early in life. Also, since vesting is rarely complete, private plans have operated as a growing restraint on the mobility of labour.

Several provinces are interested in lessening these and other problems connected with private pension plans, particularly by the establishment of rules for portability and solvency. These are, in the view of the federal government, useful steps forward.

However, such proposals for the compulsory extension of private plans do not make possible retirement at an adequate standard for people in their forties to sixties who have not been covered previously. Moreover, self employed people do not have access to such plans.

The Canada pension plan not only provides early benefits but also automatically provides complete portability of pensions for people with earnings up to an average level. It will be available comprehensively and it will quickly provide fair sized pensions to those who retire in the next decade or two. Moreover, it will provide a basic measure of "real" security, because people will be assured of pensions that are related to general earnings levels at the time they retire, not to money incomes which have become out of date.

The plan is designed to meet these needs of the Canadian people while helping to establish a pension system which, through the combination of private, provincial and federal action, will be sound and satisfactory in the long run.

The Adjustment Period

The adjustment of private pension plans to a public program with graduated benefits cannot be altogether easy. However, this does not appear to have been a deterrent to private plans in the United States. Since the American old age, survivors and disability insurance program was established there has continued to be a substantial growth in private pension plans. The number of employees in the United States covered by private pension plans, expressed as a percentage of the wage and salary workers in private industry, rose from 31 per cent in 1954 to 45 per cent in 1961.

The Canada pension plan has been designed to ease as fully as possible the adjustment of private pension plans to the developing public program. Benefits in the early years of the program are at a modest level; contribution rates for the first 15 years will be only 1 per cent, and are expected to rise gradually to 2 per cent after 50 years.

Some employers and employees will no doubt wish to revise existing pension plans by reducing contribution rates approximately in line with their contributions under the Canada pension plan. The ten year transitional period means that such adjustments can be made carefully and gradually.

Economic Progress

In the government's view, the great merit of the Canada pension plan is that it is a social security program which is realistically geared to the growth of the economy. It can help to provide a foundation for other social programs, notably for those who are disabled, for widows with dependent children, and for orphans. In itself, it quickly makes modest pensions available. These benefits will grow until, in ten years, an adequate scale of pensions is available for people of low and moderate incomes. As such incomes grow, with economic progress, the scale will rise in a way which ensures that people who make contributions now can be assured of pensions which will still provide a secure retirement in line with economic conditions at the time.

In the growth of the economy, importance is rightly placed on the role of private pension plans in providing savings to finance investment. All pension arrangements, of course, require payments out to the beneficiaries as well as savings by those who are now working. In a static economy no mature pension plan would be in itself a source of savings; the net saving through private pension plans arises from the growth of the plans as the population increases and income levels rise.

Such growth is of continued importance. The Canada pension plan will provide, on a permanent basis, the scale of pensions for low and moderate incomes which is an appropriate first charge on a society that values the security and dignity of those whose working life is past. But there will remain full scope for private saving about this minimum. The scope will be enlarged with economic progress. The individual, in association in many cases with his employer, will remain responsible for the saving which a rich and growing country needs for its further economic development, and by which more and more people can afford to provide for themselves a truly comfortable retirement.

International Comparisons

Since their inception, pension programs in many countries have changed greatly. Although a number of older systems date back to the late nineteeth century, the majority of the programs were initiated in the decades immediately preceding or following world war II.

The programs in effect in Great Britain and France were extensively revised in 1946 and 1945, respectively. Revisions occurred in the West German program in 1957 and in the Swedish program in 1959.

It is of significance that the programs in Great Britain and Sweden were both revised in 1959 for the purpose of adding graduated benefits to the existing flat rate benefits. Most pension programs now in operation relate the rates of pensions in some way to the pensioners' prior earnings.

The benefits under the Canada pension plan will inevitably be compared with those available under the old age, survivors and disability insurance program in the United States. Set out below are the rates of benefit payable to workers with no dependents but with various average monthly earnings, up to the maximum under the United States program. The minimum pension under the United States program is $40, compared with the flat rate $75 at age 70, or $51 at age 65, in Canada.

Pensions in 1975 if Earnings Levels in Canada Remain Unchanged and if the U.S. Program is Unchanged

	Canada		United States
Average Monthly Earnings	Benefits at age 70	Benefits at age 65	Benefits at age 65 or 70
$	$	$	$
100	95	71	59
150	105	81	73
200	115	91	84
250	125	101	95
300	135	111	105
375	150	126	121
400	150	126	127

Survivors and Disabled Pensions

A full program of social insurance would provide benefits for survivors and disabled persons who have not reached an age at which benefit would normally be considered an old age pension. Doubts have been expressed whether such benefits are within federal jurisdiction under the existing provisions of the British North America Act. Certainly such programs as now exist for these people are provincially administered. This is, accordingly, a subject which requires further consultation.

The government proposes to establish for the time being its program for retirement pensions with benefits for survivors who are also aged 65 or over. After administrative experience of the operation of the basic plan has been gained, it will be the intention of the federal government to propose the addition of benefits for widows with dependant children, for orphans, and for disabled people.

HOUSE OF COMMONS

Wednesday, March 18, 1964

The house met at 2.30 p.m.

LABOUR RELATIONS

HAL BANKS—ANNOUNCEMENT OF REMOVAL FROM OFFICE

Mr. Speaker: I understand that the Minister of Labour has a communication he wishes to make at this time.

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, I have been informed today by the chairman of the board of trustees, Hon. Mr. Justice V. L. Dryer, that after long consideration of the affairs and interests of the S.I.U. of Canada and of the maritime industry, the trustees have determined that it is not in the interests of that union, of the shipping industry of Canada nor of the public at large that Mr. H. C. Banks remain in office.

Some hon. Members: Hear, hear.

Mr. MacEachen: Accordingly, and in keeping with the powers given to them by parliament under the Maritime Transportation Unions Trustees Act, the trustees have today removed Mr. Banks from the position he has occupied as president of the S.I.U. of Canada. The trustees have named Mr. Charles Turner, a former officer and still a member of the brotherhood of railway and steamship clerks, freight handlers and express and station employees, who has been on the staff of the board of trustees for two months, to serve as president of the S.I.U. of Canada. He will continue in this position until other arrangements are made. Mr. Charles H. Millard has moved into the offices in the S.I.U. of Canada building in Montreal, and the union will be administered under his direct supervision. The trustees will continue their overall direction of the five unions under trusteeship.

Hon. Michael Starr (Ontario): We have listened with interest, Mr. Speaker, to the statement made by the Minister of Labour. I recall that yesterday I posed a question to the minister as to whether there was any truth in the allegation that Mr. Banks would be relieved of his position as president of the S.I.U. in accordance with an agreement between the S.I.U., the United States government and the Canadian government. The minister said yesterday he was not aware of this situation. It seems to me that there must have been more truth than fiction in the rumour that was prevalent as late as yesterday. I am also led to believe that the minister is not revealing all the facts with regard to this situation and that the Ottawa government must have played some part in connection with the decision in this matter.

I believe that most of us who were in the house when the trustees were appointed felt that they would carry out the recommendations of the Norris report, because it was as a result of those recommendations that the trusteeship was originally established. The purpose was to settle the situation on the great lakes. However, the trustees, until this action today, have not felt it was necessary to follow the Norris recommendations, and this has led to dissatisfaction on the part of many people who have felt that in order to clean up the great lakes situation the trustees should in fact follow the Norris recommendations.

Mr. David Orlikow (Winnipeg North): I am sure all members of the house greeted the announcement made by the minister with a good deal of enthusiasm. It is certainly a first step that has been needed for a long time. I wonder if the minister would give consideration to calling the industrial relations committee together at an early date so that members could get further reports from the board of trustees about their future plans for rectifying other matters upon which action is needed.

[*Translation*]

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, the house obviously expected that the time would come when the Minister of Labour would announce the expulsion of Mr. Banks as president of the seafarers' union after all that has been going on for a certain number of years.

On the other hand, the Minister of Labour also announced the appointment of a president who will take over the administration of the union. That president was appointed by the trustees. I would therefore have a reservation to make about that appointment. I should like it to be ratified by a general meeting of all members of the union concerned, because even if it is justified, that action on the part of the trustees is still subject to the approval of the workers concerned.

I think the Minister of Labour would do well to bring that remark to the attention of the trustees so that they may have the appointment approved as soon as possible to protect the democratic rights of S.I.U. members.

Mr. Real Caouette (Villeneuve): Mr. Speaker, nobody in Canada will take exception to the decision made by the trustees of the S.I.U. with regard to Hal Banks who, I am quite sure, does not deserve anybody's confidence in Canada and more particularly that of the members of the S.I.U.

However, I endorse the remark just made by the hon. member for Lake St. John to the effect that the appointment of the new president, Mr. Turner, goes a little beyond the democratic spirit that should prevail in a labour union and that this appointment should be ratified as soon as possible by the union itself.

At all events, the removal of Hal Banks will benefit every really democratic union in our country.

[*Text*]

HOUSE OF COMMONS

MOTION OF NON-CONFIDENCE IN DEPUTY SPEAKER

[*Translation*]

Mr. Gilles Gregoire (Lapointe) moved:

That, in view of the unacceptable actions of the Deputy Speaker, the hon. member for Stormont, during the sitting on Friday, March 13, 1964, from 8 to 10 p.m.

(1) In transgressing a standing order of the house which requires that unanimous consent be given to waive the obligation for two days' notice of the presentation of a resolution prescribed by standing order 41;

(2) In transgressing standing order 42 of the house which requires that the member who presents a motion of urgency, with the unanimous consent of the house, without notice thereof as required in standing order 41, must previously explain the urgency of the same; and

(3) In depriving certain members of the house of a right and privilege recognized by standing orders;

For these reasons, be it resolved that the Deputy Speaker no longer has the confidence of this house.

He said: Mr. Speaker, we have before us today a motion which is serious and also very rare in the House of Commons. It is a non-confidence motion against the Deputy Speaker for his conduct of last Friday, March 13, from 8 to 10 p.m.

Mr. Speaker, I shall try to introduce our arguments and evidence in as realistic a way as possible and without feelings of hatred or hostility, and to state the facts as objectively as possible for the information of members of this house.

[Mr. Lessard (Lake St. John).]

That happened, as we know, when the right hon. Prime Minister (Mr. Pearson) presented a motion recommending the sending of Canadian troops to Cyprus through the United Nations.

Personally, I was in favour of the Prime Minister's motion, but I did not approve the procedure followed that evening. Therefore, my criticism is aimed today not at the motion itself but at the procedure.

Let us go over the facts. In the course of the debate on supplementary estimates, the country's Prime Minister walked into the house in the afternoon and asked for unanimous consent to revert to motions, as reported on page 892, left hand column, of *Hansard* for March 13, 1964.

The first point on which I call the attention of the house is that immediately after the Prime Minister asked permission to revert to motions, the Acting Speaker, Mr. Batten, rose and asked:

Does the house give unanimous consent to revert to motions?

And hon. members replied:

Agreed.

I should like the hon. members of the house to take good note of what happened. The Acting Speaker took the trouble to rise and ask whether the Prime Minister had the unanimous consent of the house.

The Prime Minister then rose and, on motions, as can be found on page 892 of *Hansard*, he said:

If this announcement is received from New York before 6 p.m. I shall ask for unanimous consent for the house to consider this afternoon and this evening, if necessary, a resolution approving Canadian participation in the United Nations peace keeping force in the manner described in the resolution.

So the Prime Minister told the house that he would be asking unanimous consent to sit in order to discuss a resolution approving Canadian participation in the United Nations force.

That was the purpose of the Prime Minister's motion. The Leader of the Opposition (Mr. Diefenbaker), as he had a right to, agreed to give unanimous consent on behalf of his party, and so did the hon. member for Burnaby-Coquitlam (Mr. Douglas). It was also the same in the case of the hon. member for Fraser Valley (Mr. Patterson).

But the hon. member for Villeneuve (Mr. Caouette) rose at that time and said, as can be seen on page 894 of *Hansard*:

I am entirely against the Canadian parliament being asked to sit this evening or tomorrow, or to hold a special sitting—

Mark these words—

—in order to consider whether troops should be sent to Cyprus or to that continent.

It is quite clear that the hon. member for Villeneuve, speaking on behalf of the other members of this group, was objecting to unanimous consent of the house being given to consider a motion to send Canadian troops to Cyprus, and therefore a 48 hours' notice was required before it could be discussed.

Mr. Speaker, there you have the initial facts, or what happened in the afternoon.

Now, let us see what took place in the evening. It was therefore obvious that unanimous consent had not been given in the afternoon to the presentation of such a motion or such a resolution without 48 hours' notice. Consequently, members left, as many of them usually do, around five o'clock p.m. to catch the last train or the last plane to their respective constituencies. That is why, as far as our group is concerned, there were only three of us in the house in the evening and that was not enough to ask for a vote on the Deputy Speaker's decision. However, I would point out that 150 members were absent from the house on that night, so that members from all parties were absent.

After recess the Prime Minister introduced a resolution without giving the required 48 hours' notice, as required by standing order 41. The Prime Minister introduced his resolution at the very beginning of the sitting. He did not ask for the unanimous consent of the house. To support this statement I shall first of all quote from page 954 of the French text of the debates of Friday last, and I shall thereafter quote the English text because there is a distinction to be made in the translation. He said:

Je demande à proposer, appuyé par mon collègue le secrétaire d'État aux Affaires extérieures (M. Martin), la résolution suivante:

He did not request unanimous consent of the house; he gave nobody an opportunity to refuse or accept that consent. He simply said:

Je demande à proposer, appuyé par mon collègue—

The English text is not exactly the same or has not exactly the same meaning. On page 910 of the English debates, in the right hand side column, it says:

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): By leave, I wish to move, seconded by my colleague the Secretary of State for External Affairs—

[*Translation*]

He therefore did not ask for the unanimous consent of the house. He simply said: by leave, I wish to move—

Mr. Speaker, between the moment he said he wished, by leave, to move a motion and the motion itself, there was not even one second. There was not a single indication of approval or disapproval. He just went on. Even after the motion was read, he did not stop a second. He just added his explanations. After four lines in the French text, and five lines in the English text, the hon. member for Charlevoix (Mr. Belanger), interrupted and asked—this is on page 911 of *Hansard*:

On a point of order, Mr. Speaker.

Do the rules of the house allow the Prime Minister (Mr. Pearson) to bring forward a motion without having received beforehand the unanimous consent of the house?

Then, the Deputy Speaker answered—this is still in the same column:

The Prime Minister asked for leave to present the motion and he is proceeding on that basis.

And, somebody having risen to say:

On a point of order, Mr. Speaker.

The Deputy Speaker added:

The Prime Minister asked for leave, there was no objection, and he proceeded with his remarks.

I point out that no one in this house was given the opportunity to raise an objection and that the Deputy Speaker who was then in the chair did not ask whether anyone had any objection to raise or whether there was unanimous consent, and the Prime Minister himself had not asked whether there was unanimous consent.

At that time again, we raised an objection. Immediately after that statement from the Deputy Speaker the hon. member for Charlevoix rose and said:

Mr. Speaker, we want to place our objection on record. We do not agree to the Prime Minister proceeding with this motion.

Mr. Speaker, before going any further, I should like to call your attention to one thing. When the hon. member for Charlevoix rose to put his objection on record, barely 14 seconds had elapsed between the moment when the Prime Minister finished reading his motion and the time when he started his explanations, only 14 seconds between the moment when he was allowed to read his motion and the moment when the hon. member for Charlevoix stood up. As evidence, Mr. Speaker, I would ask all members of the house to check on their watch the exact time the hon. member for Charlevoix would have taken before objecting after the reading of the motion.

I shall read in English what the Prime Minister took time to say:

[*Text*]

In speaking to this resolution I should like to begin by telling the house that while the situation on the island of Cyprus has deteriorated to a point at which there is grave danger of conflict—even greater conflict—

[*Translation*]

Mr. Speaker, exactly 14 seconds.

An hon. Member: Sixteen seconds.

Another hon. Member: Fifteen seconds.

Mr. Gregoire: Fourteen seconds. Someone said it was 16 seconds and another one 15 seconds. Let us say 15 seconds, Mr. Speaker—

An hon. Member: You read too fast.

Mr. Gregoire: —I would like you to note that if somebody from another corner of the house had risen when I raised the point of order, at least five to six seconds would have elapsed before the Speaker recognized that other member, which means that the margin is reduced to ten seconds. There is another thing I would point out, Mr. Speaker. The hon. member for Charlevoix (Mr. Belanger) made use of his earphones to listen to the interpretation of the explanations which the Prime Minister gave immediately after introducing his motion, and when he had grasped the subject matter of the Prime Minister's speech by means of the interpretation and the earphones four or five additional seconds may have elapsed, which would mean that the hon. member for Charlevoix would have let five or six seconds pass between the moment when the Prime Minister finished reading his motion and the instant he rose to object, and the Prime Minister never asked the unanimous consent of the house.

Mr. Speaker, those are the facts. An hon. member had hardly five to six seconds to rise and register his disagreement in respect of the unanimous consent. The hon. member for Charlevoix could not rise before the right hon. Prime Minister's motion was read out, because it would have been illogical to do so. If the right hon. Prime Minister had risen to introduce a motion tending to increase family allowances, the hon. member for Charlevoix would not have opposed its being introduced immediately. If there had been a request for unanimous consent to consider a motion concerning unemployment, the hon. member for Charlevoix would not have objected. This is why the Prime Minister had to be granted the necessary time to read his motion, to see if unanimous consent should be granted or not. Once the motion was read, the hon. member for Charlevoix rose and objected; he indicated his disagreement to the unanimous consent scarcely five or six seconds after the reading of the motion had started.

If we consider that the hon. member for Charlevoix should have risen as soon as the Prime Minister had finished saying: "By leave, I move", the hon. member for Charlevoix would only have taken two seconds to object.

Mr. Speaker, after the hon. member had placed his objection on record I rose in my turn to make a few remarks and take exception to the procedure followed. Here is what the Deputy Speaker said, as reported on page 911 of *Hansard*:

> The Chair already made a ruling in this respect. The Prime Minister preceded his remarks by saying that he had a motion to submit with the consent of the house.
>
> As no objection was raised, the Chair suggested that the Prime Minister be given the opportunity to continue his remarks.

As we have just seen, five or six seconds after the Prime Minister had begun his remarks, the hon. member for Charlevoix (Mr. Belanger) having risen, the Deputy Speaker said this:

> I can only repeat the ruling which I made a moment ago. We have already initiated the procedure—

And mark these words:

> —with the unanimous consent of the house, since no objection has been made.

Is this the unanimous consent of the house when no objection has been made? Hardly five or six seconds had elapsed since the Prime Minister had started to speak.

Mr. Speaker, those are facts which speak for themselves. I maintain that in those circumstances, the position taken by the Deputy Speaker was unaccountable and inconsistent with standing order 41. I shall now sum up the three points of my motion.

Standing order 41 provides that in order to introduce a motion without giving 48 hours' notice, the unanimous consent of the house is required. The right hon. Prime Minister never did ask for unanimous consent. The Chair did not ask whether the Prime Minister had unanimous consent, as is always done. I have been a member for nearly two years now and when a minister, a member or the right hon. Prime Minister rose to present a motion without having given 48 hours' notice, or any motion requiring 48 hours' notice or unanimous consent of the house, the Deputy Speaker or the committee chairman has always stood and asked: "Does the Prime Minister or the hon. member have unanimous consent of the house?" However, that evening, that procedure was not followed.

The hon. member for Charlevoix raised an objection as soon as he could. I have just shown that five or six seconds may have elapsed between the time the Prime Minister got to his feet and the moment he started to explain his motion.

One cannot raise an objection against a motion unless one knows what it is all about. That is precisely what the hon. member for Charlevoix did. He protested as soon as he

knew what the motion dealt with, that is five or six seconds after reading of the motion had begun.

I claim that the Deputy Speaker took an unfortunate and inexplicable attitude that evening, a prejudiced and partial position. I proved it by quoting from his own remarks which appear in *Hansard*.

The Prime Minister asked leave to present the motion and he proceeded on that basis.

The Deputy Speaker stated that no objection had been raised and later on he said this:

> The Prime Minister preceded his remarks by saying that he had a motion to submit—

He said that the Prime Minister preceded his remarks by saying that he had a motion to submit with the consent of the house.

Now, Mr. Speaker, this is what the Prime Minister said:

> By leave, I wish to move, seconded by my colleague—

He did not ask the unanimous consent of the house.

Therefore, that evening, in spite of the objections raised in our corner, the members were denied their rights and privileges by the Deputy Speaker, in order to comply with the wishes of the right hon. Prime Minister.

And here the Prime Minister himself, by his statement, admits that he is not sure of having unanimous consent of the house. Here is what he said as reported on page 911, left hand column:

> I began my remarks by asking for leave to present this motion and I had the understanding—

He simply says:

> —I had the understanding—

He does not state that he had the unanimous consent of the house.

Mr. Speaker, the Prime Minister himself, by his silence that evening, admitted implicitly that he had not secured the unanimous consent of the house. He began by saying:

> I would not have ventured to ask for the leave of the house to bring forward this motion had I not been convinced by information I have received that there has been a very serious deterioration in the situation on the island of Cyprus.

He had the floor at that time, but he never said or admitted that he had the unanimous consent of the house.

Mr. Speaker, I say that the Prime Minister never asked—and we can find evidence of this in *Hansard*—nor received the unanimous consent of the house, despite the statements of the Deputy Speaker to that effect.

The second paragraph of my resolution concerns standing order 42 which stipulates that when an hon. member wishes to move a motion in case of urgent and pressing necessity—and the issue we considered that evening was a case of urgent and pressing necessity—he can do so by unanimous consent of the house, without notice having been given under standing order 41, provided the mover explained the urgency beforehand.

Now, the Prime Minister did not prove the urgency of the resolution before asking the unanimous consent of the house. The Deputy Speaker, whose responsibility it was to apply the standing orders, did not call him to order and did not ask him to explain the urgency of his motion. And as can be seen on pages 922 and 923 of the official report, I pointed out this fact to the Deputy Speaker who disregarded what I said.

With regard to the third part of our resolution, I submit that hon. members' privileges were ignored and transgressed that evening.

First of all, an hon. member can object to unanimous consent in a case such as the one we were facing that evening. Then, his objection has the same value, regardless of where he sits in the house, whether it is the hon. member for Charlevoix, the hon. member from Winnipeg North Centre (Mr. Knowles), or any other member of the house, or even a minister who makes the objection. In fact, when a member objects to the introduction of a motion, without a previous notice of 48 hours, in short when he refuses to agree to such a procedure, his non-acceptance is just as imperative as that of a member of any party in this house.

Second, we must admit that some members sit quite far from the Speaker so that it takes them a little longer to be seen and recognized. And in this case, that was the situation Friday night; five or six seconds elapsed and the Deputy Speaker should have taken them into consideration.

Third, there is the matter of simultaneous interpretation which we get through our earphones. We have referred to that matter here on many occasions. In fact, as reported on page 916 of *Hansard*, we pointed out that the interpretation always reached us a few seconds late. But in spite of the fact that we mentioned that point to the Deputy Speaker, he did not take it into account. And yet, we have been saying so on several occasions in the house.

Mr. Speaker, I think that I have sufficiently made my point and in conclusion, I wish to say that last Friday, we witnessed some unacceptable actions of several persons in this house.

In my opinion, the first to be blamed is the Prime Minister of the country who has violated the rights of the hon. members.

In the afternoon, the Prime Minister had asked the unanimous consent of the house to introduce the resolution that evening. He

knew at that time that he could not get the unanimous consent of the house. He knew that there were members who would object.

Moreover, the Prime Minister acted in such a way that no member of this house could exercise his rights. He asked for permission to introduce his motion, he put it forward and then continued with his comments without giving anybody a chance to use his privileges.

In order to be polite, we let the Prime Minister put forward his motion, but he did not give anyone the chance to say whether or not he objected. He knew that some members of our group were opposed to it, but despite all that, despite the fact that he knew since early in the afternoon that there was opposition, he came back with his motion and did not give anybody a chance to put forth his objections.

In my opinion, the Prime Minister knew what would happen. He acted in such a way that the rights of hon. members be not recognized and that they could have no opportunity to exercise their privileges in the house. I believe that he should be the first to blame in all this.

Mr. Speaker, others should also be blamed. All the members who were in the house that evening, and especially those who are always particularly aware of the rules, those who protest against the smallest breach of the rules, when that serves their purpose or when such intervention can favour their cause. But, as this did not favour their cause, they did not do it that evening.

If the hon. member for Winnipeg North Centre had intended to raise an objection, he would have raised it, but that evening he did not, he remained in his seat and did not say a word. But he was the first on his feet to give advice to the Prime Minister on procedure and application of standing orders, especially regarding the rule for exemption from obtaining unanimous consent of the house to carry on the debate. But when the rights of members were ignored, the member for Winnipeg North Centre did not rise, nor did the leader of the official opposition, who has always been a great upholder of parliamentary procedure in the house. This also applies to the member for Winnipeg South Centre (Mr. Churchill) and the member for Edmonton West or East, I forget now, the former speaker of the house (Mr. Lambert), and to all the others who are so sensitive about standing orders. That evening, however, none of them stood up, they all remained seated, without saying a word. I think they are partly to blame because of the silence they have observed.

[*Text*]

Mr. Lambert: On a question of personal privilege, Mr. Speaker, I should like to draw the attention of the hon. member and the house to the fact that I was not in the city of Ottawa on Friday and could not be present at that time.

[*Translation*]

Mr. Gregoire: Mr. Speaker, I beg the hon. member for Edmonton West's pardon, but on the other hand, I should thank him because he gave hon. members an opportunity to notice that between the moment he rose to put his question of privilege, and the moment you recognized him, seven or eight seconds elapsed, which gives point to my argument of a while ago.

Mr. Lambert: I do not speak as fast as you.

Mr. Gregoire: Mr. Speaker, last Friday night, the hon. members who were in the house, not only the ones I identified a while ago, but also the others, created for themselves a special atmosphere and in order to achieve their purpose, they preferred to turn a deaf ear and keep silent on the breaking of the rules which happened that evening.

Another offender was the Deputy Speaker whose mission is to be non-partisan and respectful of the rights of hon. members, whether they be members of the opposition, of any group, or of the government. He is the guardian and the defender of the rules of the house. He should have been above the developments of the urgency resolution and see to it that the rights and privileges of hon. members be respected, which was not done.

That omission is all the more serious that in spite of our representations, the Deputy Speaker transgressed his mandate and scorned the nobility of his office.

It is true that we might have another party in power tomorrow, or another one the next day, but if we put up with such a situation, we should be ashamed of ourselves, because we will stand in danger of a degradation of the rights and privileges of hon. members and also of the standing orders of the house.

Mr. Speaker, we all have the responsibility to hold very high the nobility and the dignity of the office of the Speaker. And that omission is even more serious for us, because the two years we were here, was the first time we witnessed such a situation.

I always considered and I still consider the Deputy Speaker, the hon. member for Stormont, to be a gentleman, an amiable and respectable person—

Some hon. Members: Hear, hear.

Mr. Gregoire: —but his error is fatal. Mr. Speaker, I am not afraid to repeat: I always considered the hon. member for Stormont as a gentleman, but, unfortunately such an error cannot be ignored, especially in the circumstances which prevailed that night. And the lesson to be drawn from this instance should serve coming generations, and if not, the illustration we saw may also serve future generations.

Mr. Speaker, I introduced this motion without bitterness and without hatred or enmity against anybody whatsoever. In fact, some hon. members may be more to blame than the Deputy Speaker. On the other hand, perhaps part of the blame rests on ourselves, in which case, we are ready to accept the blame. We also wish the facts to be known and we want the opposition parties, especially the minor ones, to be assured that their rights and privileges will be guaranteed in future, otherwise, we shall not know exactly where we are going.

[*Text*]

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, under ordinary circumstances I would not participate in the debate. However, during the course of his remarks the hon. member for Lapointe chose to bring me within the ambit of his criticism. Indeed, he covered practically every member of the house.

For that reason I think some reference should be made to the motion. After all, as Leader of the Opposition, as the Prime Minister has said on more than one occasion, I am an officer of this house.

All through the years I have been one of those who have strongly stood against the actions of any government which would trample on the rights and privileges of the opposition. I took that view not only when in opposition but also when we enjoyed an overwhelming majority in the house. My desire has been at all times to preserve inviolate the rights and privileges of minorities in this chamber. If we should allow action to be taken that is contrary to the privileges and rules of parliament, then indeed it will not be very long before the rights of private members are lost. I preface what I have to say by these general observations.

I was here on Friday afternoon and evening. I listened to the arguments that were advanced. I think, in retrospect, there is no member of this house who will not frankly admit that an error was made on Friday. It is just like the law. Over and over again we become bound by precedents which have arisen for good objectives. Bad law is often made by judges who are endeavouring to achieve abstract justice, and then the pathway of today becomes the highway of precedent of tomorrow. All of us wanted to do our part to assure that Canada would discharge her responsibilities. This could have been done in the regular way with full regard to the rights of parliament. I would say more than this if the Prime Minister were here today, but he is absent I know for good and sufficient reasons.

Following the argument before lunch time, it had been made clear that unanimous consent was not required for the house to sit at eight o'clock on Friday night. There was no discussion regarding the requirement of unanimity for the presentation of the motion made by the Prime Minister. He knew and the government knew that unanimity was required.

However strong and overwhelming the desire of the members of this house may be, when unanimity is required one, two or three can prevent the operation of the ordinary processes of the house by raising an objection. I recall one occasion many years ago when a Speaker occupying your position, sir, on a motion requiring unanimity said "All those in favour say yea, and against say nay." Then he said, "I think the yeas have the majority, and therefore I apply the rule of unanimity". This was deleted from *Hansard*.

I think the government was responsible for what happened. Certainly there was haste. Certainly there was a desire on the part of members generally to carry out the responsibility of this nation. I can say though, in the light of what is taking place, it is very apparent that the government chose this occasion for haste so that it might present its view to the world, having done something for the benefit of mankind. There has been a lot of boasting about it. The fact remains that any shortcomings were the shortcomings of the government. We have a co-ordinator today to assist the government at a salary of $25,000 a year, I think. Well, there have been two or three examples of what co-ordination has achieved in exchanging portfolios between the Minister of Agriculture and the Minister of Forestry. This must be another example. What is needed is a co-ordinator to co-ordinate the co-ordinator, if this action is an example of what happens under this new regime.

Having said that, let us look at the record now. The Prime Minister knew that he required leave because his first words, as recorded on page 910 of *Hansard*, were:

> By leave, I wish to move, seconded by my colleague the Secretary of State for External Affairs—

He had no leave. No leave had been asked for and no leave had been given. When I say

that, I in no way mean to imply that a refractory few should be able to hold up the operations of this house. However, these are the rules. When the rules were brought into effect, parliament was not bifurcated or trifurcated or divided into a multiplicity of opposition groups. The rules were never intended to be used to prevent the operation of those things that are desired by the overwhelming membership of the house. However, the rules are there and the Prime Minister knew them. Then the hon. member for Charlevoix raised an objection in the following words:

> Do the rules of the house allow the Prime Minister (Mr. Pearson) to bring forward a motion without having received beforehand the unanimous consent of the house?

The Deputy Speaker said he believed the Prime Minister asked for leave to present his motion and he was proceeding on that basis. This was the understanding of the Deputy Speaker. He thought that leave had been given. I emphasize that, and I shall deal with it later when I refer particularly to the words of the motion. I quote from the same page of *Hansard* where the Prime Minister is recorded as saying:

> I began my remarks by asking for leave to present this motion and I had the understanding—

He did not begin his remarks by asking for leave. He simply said "By leave of the house—". In other words he implied that leave had been given. This is where the mistake began.

Now, sir, let us read the resolution that is before the house. It is to the effect that the Deputy Speaker, the hon. member for Stormont (Mr. Lamoureux), transgressed a standing order of the house. I know all of us—I say this with great respect, Mr. Speaker—at some time or other would have made a different decision than the Speaker, had we been in the chair.

Speakers are not infallible. In the courts of law—and of course this is no analogy—a dog is entitled to one bite. Surely a deputy speaker is entitled to one mistake, if a mistake was made; if we were to pass this resolution we would be condemning the Deputy Speaker on the basis that he had done something flagrantly against the rights and privileges of this house.

Because he made a mistake are we to vote in favour of a motion that says "For these reasons, be it resolved that the Deputy Speaker no longer has the confidence of this house"? Are we to condemn him because of a misunderstanding? Are we to condemn the Deputy Speaker because of the fact that it was the government that made the mistake? I will not join in that.

This is too serious a resolution. It will have a tremendous effect if passed. It amounts to censure of the Deputy Speaker for what must have been, on the basis of the discussion, a mistake made by him through the failure of the government to act as it should.

The hon. gentleman argues that there are shortcomings all around, and this is shown from the fact that he made pretty nearly all of us guilty. He pointed out one, or two, or three. Let us be frank about this. Why did we not rise, Mr. Speaker? If there had been anyone taking objection on Friday night, it would have been reported all over the free world that we were divided within this house on a matter affecting the welfare of the world.

There was no intentional infraction or breach of the rules by the Deputy Speaker. That is admitted by the hon. gentleman, because in his own words he has spread the guilt over all members in all parts of the house. In that I do not agree with him. I put it over there.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: With all the co-ordination they had, how could they have produced such a progeny?

Mr. Grafftey: It is easy for them.

Mr. Diefenbaker: However, Mr. Speaker, I would point out that the fear expressed by the hon. gentleman that this will be a precedent for the future was, to say the least, overstated. There will be no precedent in this. I would be the last to fail to rise to defend the right of one member in this house against unfairness. What took place is past. What we are now being asked to do is to place the stigma of responsibility for wrongdoing on the Deputy Speaker. That stand I will not take.

Some hon. Members: Hear, hear.

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, the right hon. gentleman and I have been in this house a long time together. We have had many occasions for deep controversy, and while I do not agree with all of his argument today, I hope he will permit me to say that I have never seen him uphold his views so effectively as he has done in the last few minutes.

Some hon. Members: Hear, hear.

Mr. Martin (Essex East): He has done that in a way that takes into account his understandable interest to jibe at the administration but, at the same time, preserve the integrity of a very important institution in this house, that of the presiding officer, in this instance the Deputy Speaker.

This motion calls on the house to condemn the hon. member for Stormont, in his capacity as presiding officer, sitting in the chair of His Honour the Speaker when the house was dealing on Friday night with perhaps the most important matter that has come to it in a long time.

The right hon. gentleman said that if there was an error, the error was that of the government. I hope he will permit me to say, as sincerely as he did, that the error, if there was an error—and I am not prepared to admit fully that there was—was an error shared by every hon. member of the house, including the right hon. gentleman himself.

Some hon. Members: Hear, hear.

Mr. Martineau: Explain.

Mr. Martin (Essex East): I will explain, because the Prime Minister said at eight o'clock on Friday night last, as recorded at page 910 of *Hansard*:

> By leave, I wish to move, seconded by my colleague the Secretary of State for External Affairs—

—a motion which would have permitted us to contribute to the international force in Cyprus. Then the Prime Minister went on to say:

> In speaking to this resolution I should like to begin by telling the house that while the situation on the island of Cyprus has deteriorated to a point at which there is grave danger of conflict—even greater conflict—

As I have shown, Mr. Speaker, he had gone on speaking for some time when the hon. member for Charlevoix rose and asked:

> Do the rules of the house allow the Prime Minister (Mr. Pearson) to bring forward a motion without having received beforehand the unanimous consent of the house?

Now, there is no obligation in our rules requiring the use of the phrase "with unanimous consent." There is a requirement in our rules, that, in certain instances, no action can be taken by the house without unanimous consent; but if, as in this particular instance, the words used are "by leave", they can have the same implication as "with unanimous consent".

Who is there to argue that the words "by leave" in this context, in this particular situation, did not have the same meaning as the use of the words "with the unanimous consent"? In any event it is clear that the Prime Minister asked "by leave", and no one objected. I am not complaining about the failure to object on the part of anyone. I am not throwing this out as an argument to knock down what the right hon. gentleman has said. I am simply pointing to the fact that, for very good reasons, the great majority in the house felt that it was necessary to proceed.

No one did object, even though any hon. gentleman could have objected. The right hon. gentleman himself might have objected. He would have had time to object. The hon. member for Burnaby-Coquitlam (Mr. Douglas) would have had time to object. The hon. member for Lapointe (Mr. Gregoire), who objected later, might well have taken steps immediately to object, but he did not; and the hon. member for Charlevoix, who was the first to object, under our rules did not object in time.

Some hon. Members: Oh, oh.

Mr. Gregoire: Would the hon. gentleman permit a question?

Mr. Martin (Essex East): Yes.

Mr. Gregoire: How many seconds does it take for an hon. member to object within sufficient time?

Mr. Martin (Essex East): Well, I do not think my response to that would help the hon. gentleman any more than his question helps any one of us to elucidate this difficulty.

The right hon. gentleman stated something a few moments ago which I believe is quite correct. An understanding of the mood of the house is relevant to an appreciation of why the house did not register any particular objection. Why was this? It was because we were faced with a very serious situation. Word had just come from the United Nations that the security council had been advised by the secretary general that an international force was being established; and this house, true to its obligations to the United Nations charter, wanted to act with dispatch. And because we wanted to act with dispatch there was no one who was disposed to object to the Prime Minister's statement: "By leave, I wish to move—" and the following words which he used, except that the hon. member for Lapointe spoke later.

I suggest to you, Mr. Speaker, that the exchanges recorded in *Hansard* on page 910, and subsequent pages, and on page 892 and subsequent pages at an earlier stage, clearly indicate that what I have said represents the true situation, the correct sequence of events. However, even if it should be assumed that there was an error; or that the rights of minorities were not fully protected, I would ask the house to recall the intervention of the hon. member for Winnipeg North Centre, perhaps as authoritative a student of our procedures as any member of this house.

Mr. Knowles: I will quote that some day.

Mr. Churchill: Let us not re-elect him, now.

Mr. Martin (Essex East): Let us remember his comments on citation 41 and, later, on

citation 42 to which the hon. member for Lapointe made reference. This very point was discussed on Friday night, and the only member to deal with it, other than the hon. member for Lapointe, was the hon. member for Winnipeg North Centre.

Mr. Diefenbaker: He never dealt with it.

Mr. Knowles: There will be an opportunity for me to speak later, but I think the Secretary of State for External Affairs should keep the record straight on this point. Any intervention I made on Friday was concerned with standing order 41, and had to do with sitting at night and postponing the hour of adjournment. It had nothing to do with whether or not the motion was in order. But I will speak on that when my turn comes.

Mr. Martin (Essex East): I thank the hon. gentleman for that correction. He dealt with standing order 41. The hon. member for Lapointe had argued that there had to be 48 hours notice in respect of the motion for adjournment as well as for other—

Mr. Gregoire: No.

Mr. Martin (Essex East): And, in the event, the hon. member for Winnipeg North Centre effectively dealt with that, as recorded at page 921.

Mr. Gregoire: On a point of order, I never objected to the absence of 48 hours' notice with respect to altering the time of adjournment. It was just on the question of the motion, the presentation of the resolution. I wish to challenge the Secretary of State for External Affairs on that point. He will look long before finding anything to support his contention there.

Mr. Martin (Essex East): All I was saying amounts to this, the other night the hon. gentleman insisted that citation 41, and now, today, citation 42, had an application to this situation. I was simply mentioning that the hon. member for Winnipeg North Centre effectively dealt on Friday night with any relevance that citation 41, requiring 48 hours' notice, might have with regard to the question before us.

But, surely, the issue has been correctly stated by the Leader of the Opposition. I deny that there was any error on the part of the administration. I do not deny we were all moved at that moment by the need to consider a vital matter affecting a threat to the peace of the world. That situation, which certainly is not a normal one, has to be borne in mind in connection with the exercise of our procedures the other night. The important consideration at this moment is that, as a result of the procedure on Friday night, the hon. gentleman is not condemning the government; he is condemning one of the officers of this house, the Deputy Speaker, who presided over our deliberations on Friday.

Speaking for the Prime Minister, who has a slight cold and is not in his place today, I would say, as the Leader of the Opposition, as an officer of the house has said, whatever may have been the justification for condemning speakers in the course of our parliamentary history, there will not be found any precedent to warrant the present occasion as one for condemnation. Indeed, I would say that on the basis of the words referred to by the Leader of the Opposition as reported on page 911, there is clear indication that the Deputy Speaker is in no way deserving of the proposed vote of censure. For the Deputy Speaker said:

> I believe the Prime Minister asked leave to present the motion and he is proceeding on that basis.

The Prime Minister said:

> I began my remarks by asking for leave to present this motion and I had the understanding—

There was no immediate objection, from hon. gentlemen who sit down in the corner, to this statement by the Deputy Speaker. He said, I repeat: "I believe the Prime Minister asked leave...". No one took exception to that. The Deputy Speaker himself said he understood that the Prime Minister had asked leave and, undoubtedly, he made that statement after recalling what the Prime Minister had in fact, said: "By leave, I wish to move—" and so on.

Mr. Gregoire: On a point of order. I have already dealt with that aspect. About ten or 12 lines later on, as reported in *Hansard*, I said—and I bring this particularly to the hon. gentleman's attention:

> If I am told that the Prime Minister only asks leave to make a statement, then we agree, let him do so. On the other hand, if we are told that the Prime Minister asks for the unanimous consent of the house to introduce a motion, and unanimous consent has been given by the house this is quite another matter.

I have spoken already on that point and expressed my view that the Prime Minister never asked unanimous consent or leave.

Mr. Martin (Essex East): There were other points which the hon. gentleman raised. I did not deal with them because I do not believe they have any pertinence to the issue before us. What this motion seeks to do at this time is to reprimand, to express dissatisfaction, to say that the house no longer has any confidence in the Deputy Speaker. There is no evidence before us, as the Leader of the Opposition has said, to warrant such a motion. We all know that the Deputy

Speaker, one of the younger members of this house, fluent in both languages, has, by his record as a presiding officer, shown not only alertness and capacity but a sense of fairness and impartiality in keeping with the high office which is his. I would ask the hon. gentleman who has made this motion, and who has supported the substance of the motion presented by the Prime Minister, although, as is his right, he has objected to the procedures involved, in the light of the vital circumstances that confronted not only the government, not only every member of this house, but members of the United Nations who are anxious to prevent a threat to peace, to recognize, in the goodness of his heart and judgment, that he does not serve the cause of parliament well when he seeks to condemn the presiding officer of this house. The Deputy Speaker courageously and efficiently dealt with a situation which resulted in parliament having one of its noblest days on Friday last.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, the hon. member for Lapointe (Mr. Gregoire) correctly referred to the motion that he has presented as dealing with a very serious matter. In fact, in the institution of parliament nothing could be more serious than a questioning of the integrity of a presiding officer. I am sure the hon. member for Lapointe realizes that if this motion were to carry, the hon. member for Stormont (Mr. Lamoureux) would have no alternative but to resign his position as Deputy Speaker. I am sure the hon. member for Lapointe realizes that if, in fact, the motion were defeated on a vote but a substantial number of members voted for it, the Deputy Speaker would be in the same position. For reasons I shall give, I hope that at the end of the debate he will consider asking the unanimous consent of the house to withdraw the motion.

Mr. Speaker, it may seem a bit unfair that one person should be in the position where, through making one mistake, he should have to suffer the kind of consequence that would follow from the passing of this motion. That, of course, is simply an indication of the exalted nature of the position held by the Speaker of the House of Commons. It is a position that does require the utmost impartiality, the highest integrity; and those who accept this position recognize that fact. But I think the hon. member for Lapointe, and all of us, have to consider very seriously whether the question that has been put before us is of the kind that should lead the house, should lead even a few members of the house, to call in question the integrity of a presiding officer.

It has been the practice this afternoon—and it is not unique in parliament—for members to stand and place the blame somewhere else. I am going to do something different; I am going to break one of the rules of political life, which is that a politician is never supposed to admit that he made a mistake. I want to say that I share the blame for what happened on Friday night, and I refuse to stand here and put the blame on the hon. member for Stormont; I refuse to put all the blame on the government; I refuse to put all the blame on everybody else. I share in that blame.

Some hon. Members: Hear, hear.

Mr. Knowles: If a mistake was made Friday night—and I believe that a mistake or two was made—we all made it, including the member for Winnipeg North Centre, including the members of my hon. friend's group, ten of whom were not even here—

Some hon. Members: Hear, hear.

Mr. Knowles: —despite standing order 5, which says:

> Every member is bound to attend the service of the house, unless leave of absence has been given him by the house.

We are all in this, and I suggest that the only answer—

Mr. Gregoire: I suppose, Mr. Speaker, in view of what the hon. member for Winnipeg North Centre (Mr. Knowles) is saying, at the end of this debate we will be responsible for what happened. I should like to point out what I pointed out in my remarks earlier, that unanimous consent had been asked for in the middle of the afternoon and was refused; so everyone in our party was entitled to think there would be no sitting on Friday night. Also, about 150 members were missing from the house on Friday night.

Mr. Speaker: Order, please. I understand that under the rules the hon. member for Lapointe (Mr. Gregoire) will have the privilege of replying later.

Mr. Knowles: I suggest, Mr. Speaker, with regard to the point we have just been discussing between the two of us, that one cannot argue with the words of standing order 5, and members who have not been given leave of absence by the house have no right to complain about what happened—

Mr. Gregoire: Where is the Prime Minister (Mr. Pearson)?

Mr. Knowles: They cannot complain about what happened in their absence, which is what the members of that group are doing.

Mr. Gregoire: Where is the Prime Minister?

Non-Confidence in Deputy Speaker

Mr. Knowles: Let us again review what happened. It is too bad that this takes time, but the day is shot anyway, so far as the budget debate is concerned.

Mr. Winkler: So is the budget.

Mr. Knowles: It is too bad that this takes time; but let us review what happened and keep some things clear. Procedurally there were two separate issues on Friday. This was why I did not want the Secretary of State for External Affairs (Mr. Martin) to confuse the two, so far as I was concerned. The first issue, procedurally, was whether the house could properly sit Friday night. I took part in the procedural argument on that point and it was my contention then, as it is my contention now, that our sitting on Friday night was legal and proper in every sense of the word. Standing order 41 makes it clear that a motion respecting the times of sitting or the time of adjournment of the house does not require notice. The motion could be voted on, could be debated; but at any rate it does not require notice. A motion was made; it passed, and we sat, properly, on Friday night. There is no question about that. I may say to the hon. member for Lapointe that he does not confuse that issue, so far as his motion is concerned, because he is not talking about the fact that we sat. But I say to him that to stand up and tell us that the hon. member for Villeneuve (Mr. Caouette) complained or objected in the afternoon to our sitting that night has no validity, because he was still here when I pointed that standing order 41 did not require unanimous consent for a motion to sit; that it required only a motion supported by a majority of the house. If he meant it; if he did not want the house to sit on Friday night, it was his duty to stay here until that motion was put and vote against it. But no; he left and did not stay to vote on the matter. Let there be no question about it; there are two separate issues, one being the sitting and the other being something else. But so far as sitting on Friday night is concerned, it was perfectly legal and perfectly proper all the way down the line.

Mr. Gregoire: You are trying to open an open door.

Mr. Knowles: The other point is a different one, namely, was it proper for the Prime Minister (Mr. Pearson) to present a motion in Friday evening's sitting of which notice had not been given? Standing order 42 is quite clear; this can be done only if there is unanimous consent. Let us be honest; let us not play with words; let us not quarrel about 10 seconds, 14 seconds, or 16 seconds. On the part of those who were here Friday night when the motion was put, there was not unanimous consent.

Some hon. Members: Hear, hear.

Mr. Knowles: All the rest of us agreed, but there were objections by two or three hon. members at the foot of this side of the house. Let us also be honest and frank about this. The Leader of the Opposition (Mr. Diefenbaker), I, and other hon. members too, were troubled about this—I was pretty unhappy here Friday night—but we sat still; we did not object even when the Deputy Speaker said to the members of the Creditiste party that they could appeal if they wanted to. We sat still. In other words, what was done by Mr. Deputy Speaker was done in the name of, with the consent of, and on the part of almost the whole house. All of us who consented in it are part of the mistake that was made, and I do not think we should try to make a scapegoat out of the Deputy Speaker and put upon him alone the mistake of all of us.

Some hon. Members: Hear, hear.

Mr. Knowles: I point out to the hon. member for Lapointe that his group did not appeal. The Deputy Speaker made it quite clear at one point, having said two or three times that he had ruled that the Prime Minister had unanimous consent, that his ruling could be appealed. I do not think the ruling was a correct one; I do not think the Prime Minister had unanimous consent, and I can tell this house that if I had been opposed to what was taking place and had wanted to register my objection, it would not have taken place, that's all; and so would it be for some other members of this house.

The fact of the matter is that after the Deputy Speaker pointed out that this was his ruling he said to the members of the Creditiste party—he said to the whole house, if you please—"You can appeal it if you wish; there is no other alternative". But no one appealed. To say that there were only three Creditiste members present is no argument at all. It takes five members to force a recorded vote, but it takes only one member to register an appeal and to ask the Speaker to put the question to the house. But that was not done. Therefore I suggest that there were quite a few mistakes on all sides of the house.

Now I want to say a word about the part of the government in this matter. It was my intention to do this earlier in my remarks, but I felt that there had been too much blaming of everybody else and that I should put the blame on all of us first. I think a good deal of the blame for what happened

does rest on the government. I believe that the government chose the wrong course on Friday night. When the government knew that there was opposition on the part of some hon. members to a resolution being dealt with during a perfectly proper sitting, I think that what they should have done was to ask to revert to motions, and on motions, for the Prime Minister (Mr. Pearson) to have made a statement exactly in the terms of the statement he did make on Friday night. Then there should have been an opportunity for the leaders or spokesmen of each opposition party to make statements. If that had been done the government would have known the view of parliament on the issue of sending troops to the United Nations peace keeping operation in Cyprus. Had that been done the government would have carried out its commitment to consult parliament.

The motion itself was not really necessary. It had no legal effect in any event. It did not say that parliament approved; it merely said that it was expedient for the houses of parliament to do something. Everyone knows that parliament has three branches, the House of Commons, the Senate and the crown. Parliament has done something as a parliament only when a bill goes through both houses and receives the consent of the crown. All that was put through on Friday night was a pious resolution in this house, and a pious resolution was put through the other house, which gave the government the green light to do what it did. The executive has the authority to put troops on active service; the only legal requirement is that it call parliament within ten days after taking such action. The only reason the question was brought before parliament was because the Prime Minister made the commitment that he would bring the matter before parliament, and I honour him for doing that and also for having placed the matter before parliament on Friday night. But the mistake which the government made was in the way it chose to do this, and when opposition was expressed to a motion being made without 48 hours' notice or unanimous consent being given, it should have chosen the other course.

I am satisfied, Mr. Speaker, that had the government asked for leave to revert to motions and made a statement they would have had the views of the house. The views expressed would have been overwhelmingly of the opinion that the action proposed was what Canada wanted to do, and after such discussion it might even have been the case that there would have been unanimous consent to put through a motion affirming the views expressed by the house. As I say, Mr. Speaker, I think this was a mistake in judgment with regard to the way to handle the matter.

Now, why did I not say this on Friday night? I like to believe that I can think quickly about procedural matters, but I confess I was taken by surprise when the government presented its motion. I thought we would just get a statement, to be followed by other statements. I was aware of the international implications of this and of the misunderstanding which could arise from a procedural argument at that point over our participation in the United Nations peace keeping force. I was also aware of another dilemma. According to a note I made of the words of the Leader of the Opposition (Mr. Diefenbaker), he said that all over the free world concern would be felt if we got into a procedural argument and failed to act—or something like that. But it is also true that if we are to keep freedom we must maintain intact our parliamentary institutions and maintain intact the protection of the rights and privileges of the minorities in such an institution.

I submit, Mr. Speaker, that a mistake was made on Friday night. But who made the mistake?—not the hon. member for Stormont (Mr. Lamoureux) acting as Deputy Speaker; not a few people upon whom the blame has been placed; and not just the government by the way it brought this motion forward. The mistake was made by all of us in not objecting to the course which was taken. That being the case it seems to me that we should not be asked even to vote on this motion. It will require unanimous consent to have it withdrawn, but I hope that the hon. member for Lapointe (Mr. Gregoire) will ask for that consent and I hope that the house will give it. I urge this course of action because I do not think it is fair for this house to put on the Deputy Speaker the stigma of having two, three or 13 votes cast against him, for the fact is that he has done a good job as Deputy Speaker and as one of the presiding officers of the House of Commons.

As I said, Mr. Speaker, I went through a fair amount of torment and unhappiness on Friday night because of the procedural angles in which the house got involved. As the Secretary of State for External Affairs (Mr. Martin) has pointed out, I got into the argument about whether or not we were sitting in accordance with the rules; but I did not get into the other argument, for the reasons I have already given. I have thought about this a lot. Indeed I know of no procedural situation since the pipe line debates of 1956 which has occasioned so much discussion around this building. Every time one goes for coffee or tea or for a meal and

meets people he invariably finds the discussion turns to this. There was a budget the other night but that is not discussed; the subject for discussion is what happened last Friday.

Mr. Grafftey: There is nothing to discuss about the budget.

Mr. Martin (Timmins): It is a proper measure of the budget.

Mr. Knowles: One of the members of one of the opposition parties—I need not name him—put it to me the other day very thoughtfully. He said: "What are we going to do to repair the damage we did to procedure on Friday night?" That made me think. I admit that we did some damage to procedure by the mistake which all of us made, so what can we do to repair that damage? We do not repair it by putting the blame on the Deputy Speaker. We do not repair it by putting all the blame on the government, though much of it they should take in view of the course followed. We do not repair the damage by putting the blame on one party or another. We will repair the damage by all of us admitting we made a mistake; by affirming, as did the Leader of the Opposition, that this is not a precedent and that it will not happen again.

Mr. Churchill: It was affirmed by him, but not by the Secretary of State for External Affairs (Mr. Martin).

Mr. Knowles: I think the government should make the same affirmation. I think the government should agree that there was a better course which could have been followed on Friday night which would have given them the knowledge that parliament was with the government in this Cyprus operation, a course which would not have done damage to parliament. If we will take this stand and be honest enough to admit that mistakes were made, and make it clear that we will not make these mistakes again, then I think we shall repair the damage.

I regret that the hon. member for Lapointe has brought in this motion, which casts the shadow it does over the hon. member for Stormont, but perhaps in the end this is good. Perhaps it is better to have this matter aired on the floor of parliament rather than just talk about it in the corridors and in the coffee shops in the building. We have had it talked out; but having talked it out I hope that this motion will now be withdrawn and that we will have even more respect for our parliamentary institutions, because as men and women we are honest enough to face up to the situation and to do the right thing.

[Mr. Knowles.]

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

Mr. Knowles: Certainly.

Mr. Churchill: I should like to ask the hon. gentleman whether he will press the Secretary of State for External Affairs (Mr. Martin) to state, as did the Leader of the Opposition (Mr. Diefenbaker), that this will not constitute a precedent. Because the Secretary of State for External Affairs did not so state.

Mr. Deschatelets: Why do you not ask him yourself?

Mr. Churchill: I will.

Mr. Knowles: Mr. Speaker, as the only one so far who has admitted some personal responsibility for what happened last Friday night —although the only responsibility I have is that I kept quiet—I am prepared to urge the Secretary of State for External Affairs to admit that the government made a mistake. I am also prepared to urge the Leader of the Opposition to admit that he, like me, made a mistake by sitting quiet.

An hon. Member: He did.

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, on behalf of this party, and particularly for myself, I wish to take some of the responsibility for what happened on Friday night. I am responsible, because I was not here on that night. If you look at *Hansard* Mr. Speaker, I think an argument can be made with respect to the time lapse factor. Whether it was a few seconds or minutes, it becomes clear that there was some lapse of time between the time when the Prime Minister (Mr. Pearson) began speaking and when the first objection was raised. I know there have been other occasions when any time lapse at all has been considered sufficient to deprive a member of the opportunity to raise an objection to something requiring unanimous consent.

I do not propose to take a great deal of time to state our position with respect to what happened. I think every member who was in the house that night is prepared to admit that there was a mistake and that the responsibility for that mistake must be spread over most of the members who were here, and certainly those who were not here. In listening to all the arguments that have been made, however, three facts have become crystal clear. First of all, on Friday night the parliament of Canada was asked to consider an extremely serious and deteriorating situation. The second fact that is clear, from what has been said by those members who were in attendance that night, is that an overwhelming majority of the members present were in favour of taking the action they did take. The

third fact is that the presiding officer, the Deputy Speaker, was of the opinion that unanimous consent had been given earlier.

I do not want to take a lot of time on this matter. I think we would be making another serious mistake if we attempted to place all the responsibility on the presiding officer at that time. I think it would be good for parliament and perhaps good for the future if the suggestion made by the hon. member for Winnipeg North Centre (Mr. Knowles) was accepted by the hon. member for Lapointe (Mr. Gregoire) and he withdrew this motion, because I can appreciate the difficulty that the hon. member for Stormont (Mr. Lamoureux) will have if any significant number of members vote for the motion, even though it may be defeated.

I think this points up something else, that perhaps we need to revise the rules to deal expeditiously with matters that require quick action in cases of emergency. I do not want to go into the details of the emergency that was facing the parliament of Canada on Friday night, but I think that in retrospect most of us will agree that the action taken was wise and was needed immediately. We can look back on what happened and not really have any objection to the action that was taken but at the same time I think we must admit that there was a transgression of the rules.

That is all I want to say, Mr. Speaker. We in this party are willing to accept our share of the responsibility and to accept the statement of the Deputy Speaker that he was of the opinion that consent had been given.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, needless to say, in this particular intance I approve the statement made by my leader with regard to the position we will take, and for several reasons, but there are some observations which I think should be made. I could not vote for the motion if for no other reason than that I would consider I am estopped. I was here. I had the same opportunity as did the hon. member for Winnipeg North Centre (Mr. Knowles) and every other member to express my opposition to what I considered were several obvious breaches of the rules. I do not know whether I will go as far as the hon. member for Winnipeg North Centre did and assume guilt. However, if I did I would say that the guilt might well be apportioned according to the degree of knowledge that hon. members have of the rules, in which event I would certainly yield to the hon. member for Winnipeg North Centre, who is a great authority on the rules and so must assume the greatest share of the blame.

Mr. Knowles: The hon. member is very kind.

Mr. Baldwin: However, I think we should be grateful to the hon. member for Lapointe (Mr. Gregoire) for bringing up this matter so that we can have a full and useful discussion and so that in parliaments yet to come those who examine the record of Friday the 13th day of March will not feel they are bound by what happened then. As far as I am concerned, I felt embarrassed and futile in the face of several instances of mutilation of the rules, not only those which have been referred to but one or two others as well. True enough, it was in a good cause, but do good ends always justify the means to achieve them?

This parliament is the highest tribunal in the land. We make our own rules; we change them, we alter them. There is nobody to say us nay, save only for our duty to see that the business of parliament is expedited and that the rights of individual members are maintained. This is the golden currency of our procedure, and I do not think anyone who was here on Friday night can deny that that coinage was badly debased.

Let us put this matter in perspective. There was no necessity for the government, in law at least, to secure approval of the house or approval of parliament. I think that the provisions of the National Defence Act relating to our contribution to the United Nations are such that this need not have been done. However, I think the Prime Minister (Mr. Pearson) was quite correct in the course he followed.

On an earlier occasion when he laid out the five conditions which had to be met before a force would be dispatched to Cyprus he said that parliament would be consulted, depending upon the size and constitution of the force. I think this constitutes an admission on the part of the government that they knew they did not have to come to parliament for legal approval, but in matters of this kind I think it is proper to do so. In my view it would be highly improper if it had not been done.

However, Mr. Speaker, there are at least two ways by which it could have been done without exposing us to what happened on Friday night. The hon. member for Winnipeg North Centre has pointed out one method of procedure, and there was certainly another very simple one. As the course of events in Cyprus proceeded on Monday or Tuesday or even on Wednesday, it surely must have been obvious to the government, who had sources of information not available to other members of the house, of course,

that the situation there was developing in such a way that they were going to be committed.

Mr. Martin (Essex East): Mr. Speaker, this is a vital matter and I know my hon. friend wants to be fair. We could not know at that time because there was no international force in being. We did not know until between six and eight o'clock Friday night. Just until then there was no international force established. We were awaiting information from the secretary general and we acted at the earliest possible moment.

Mr. Baldwin: I, of course, accept the statement made by the Secretary of State for External Affairs. However, I would attach this annex to his statement. With that perspicacity for which he is famous, I am sure that by Wednesday night he had a pretty sharp suspicion and, in any event, nothing would have estopped the government from placing on the order paper a notice of motion that would become an order of the house, and providing that the business of the house could be interrupted to deal with the motion which was in fact put before us, and that debate on that motion would proceed until completed. I am quite sure, having in mind the spirit which was evident on Friday night, consent would have been given.

Mr. Martin (Essex East): I may tell my hon. friend that we had given consideration to that kind of conditional motion. But it was decided we could not ask parliament to approve something that might not happen, although we were very anxious to see that it did happen.

Mr. Baldwin: I was not suggesting that approval should be given, but that a notice of motion should have been put on the order paper to the effect that at any time the routine business could be interrupted by the introduction of this motion, and debate on it would continue until concluded. This procedure would have permitted the government, at any time they saw fit or that the urgency developed, to have proceeded with the motion. However, Mr. Speaker, the government is the sole judge of these circumstances and must accept the responsibility that any government must accept in deciding if the facts, circumstances and conditions require them to proceed in the way they did proceed.

I believe that this is where the mistake was made, and I would hope it may never occur again. However, if these circumstances do recur, I would hope the procedure I have outlined would be followed. Members of parliament should not have to sit idly by in a situation of this kind, of international crisis, because, as has been said by other hon. members, any attempt to assert that the rules should be observed would participate a debate and possibly divide the house on a procedural matter. This would not be a very good thing for the government of this country, for the situation on Cyprus or for the other nations of the free world who were considering making contributions to this force.

For these reasons, I feel that I cannot support the motion. I feel, though, that while we are all taking blame it would not be an inopportune time for a member of the government, perhaps the genial seatmate of the Prime Minister, to stand up and say quite honestly that the government did make a mistake, but that it will not happen again. This would be an excellent thing for the morale of this parliament, particularly if the government could admit it does make mistakes.

These remarks, Mr. Speaker, outline my position. I think they need to be said because if in the future a government, or whoever occupies the position of Speaker or Deputy Speaker, is confronted by a situation in which someone says there is an emergency, and we must act quickly by forgetting about the rules, everyone will be put in a serious situation. Who is going to make the decision? Will it be the government or the Speaker? Is he to be placed in this position? Surely not. I think a tremendous responsibility is placed upon the government in introducing these motions and asking the house to approve of them. I think it would clarify the situation if they would frankly admit the error which they made under these particular circumstances.

Mr. Arnold Peters (Timiskaming): I only want to say a few words on this point, because I think everyone is in agreement that there is a certain amount of responsibility in this connection resting in every section of the house. The fact that the rules have not been enforced is, in my opinion, some cause for alarm amongst all members. There is a responsibility, too, upon the officers at the table, because they should bring these things to the attention of the house under the system that we use.

I should like to cite an example of what I mean, and it is to be found in *Hansard* for January 30, 1963, page 3251. I quote:

Mr. Frank Howard (Skeena): Mr. Speaker, with unanimous consent, I move:

"That the standing committee on marine and fisheries be authorized to examine and consider (1) the recommendations of the international north Pacific fisheries commission that the stock of halibut in the eastern Bering sea and the stock of herring off the west coast of the Queen Charlotte islands each be exempted from the abstention principle contained in the international

convention for the high seas fisheries of the north Pacific ocean, (2) the international convention for the high seas fisheries of the north Pacific ocean, and (3) the last annual report of the international north Pacific fisheries commission and, in particular, to examine and consider the possible harmful effects which such recommendations may have upon Canada's fisheries and with authority to report its findings and recommendations from time to time."

This motion is seconded by the hon. member for New Westminster (Mr. Mather).

Mr. Speaker: I suggest to the hon. member that this is a substantive motion and therefore in my opinion it requires notice. Under the circumstances it could not be acceptable at this time without the appropriate notice.

Mr. Pickersgill: Mr. Speaker, the hon. gentleman asked for unanimous consent, and we would be glad to accord it.

Mr. Speaker: If there is unanimous consent, of course, it can be moved. Is there unanimous consent in this regard?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: I regret that there is a dissenting voice.

Obviously, this is the normal way in which to handle these matters. It was not necessary for a member of the house to be so familiar with the rules that he drew the attention of the house to the fact unanimous consent was needed. The Speaker has a responsibility, and I think it is a responsibility he should exercise. I was shocked at some of the statements I heard today and yesterday to the effect that this is a repetition of something that has happened several times, and that the government had a responsibility in each of those cases. I doubt that this is true, and I certainly hope it is not true. However, I believe that the government should be censured, in fact all members of the house should be censured. I believe the situation resulted from haste, and I believe that if the Speaker has any responsibility it is a responsibility that we give him and that we expect him to exercise.

I believe, too, that the Speaker must be aware of the temper of the house and of any minority opinion in the house, particularly when that minority opinion has been expressed. In a democracy, minorities are almost as important as majorities. Considerations must be given to these minorities and, in my opinion, the Speaker has the responsibility to see that this happens. Since I have been in this house I have found Speakers, in the main, to be fairly unbiased and they have made decisions taking into consideration the will of the minority as well as of the majority. I do not believe the rules should be used, or the lack of familiarity with the rules by hon. members should offer the occasion for doing things in a manner that is not in keeping with the dignity of this house.

I believe this was done. I believe in using the expression "with unanimous consent" in the case which I have quoted, where the hon. member for Skeena used it, he did it with the view of trying to do something he was not able to do in any other way. Of course he may disagree with that, but I think it was done in this way because as a private member he would not have the right to do this without a proper motion. I think the Prime Minister did it in this case with exactly the same view, and did it because there was the necessity to get consent.

I believe the Deputy Speaker was the victim in this case, because of the fact there was an indication that there would be consultation between the parties in the house so that unanimous consent could be given to the introduction of a resolution without the motion. Therefore I am in favour of the resolution we now have before us, except for the fact that it lays all the blame on the Deputy Speaker. I would therefore move, seconded by the hon. member for Timmins (Mr. Martin):

That the last line of the resolution be amended by striking out all the words following the words, "be it resolved that" and substituting the words, "this house regrets that it did not take action to uphold the rules of parliament to preserve the rights of each member."

This will place on the record the fact that this house has seen fit to censure itself, and would give direction to the Chair and the officers at the table that we wish them to enforce the rights we believe we enjoy in being members of the house, under the democratic principles established over the years by the rules and procedures of the house. It will be taken as a censure of each and every member of the house, and particularly of those who were not here to participate at that time.

Mr. Speaker: The hon. member for York-Humber. I may point out that I do not want to slow up the debate, but if the hon. member for Timiskaming (Mr. Peters) would allow me, I wish to consider his amendment while the hon. member for York-Humber (Mr. Cowan) is making his remarks.

Mr. Peters: If Your Honour finds that the amendment is not in order, I would like publicly to make the request that the mover and seconder of the motion implement the amendment, with consent, as part of their original motion.

Mr. Speaker: Again I would like to deal with that in a few minutes.

Mr. Ralph Cowan (York-Humber): Mr. Speaker, as one of those members of the house who was present on Friday evening

from before the ringing of the bells at eight o'clock until the adjournment of the house, I feel I should make some comments on the effects of that evening on one private member, namely, myself.

I took a great deal of satisfaction out of having been a participant in the discussion on Friday night, and I believe the house did the proper thing in authorizing the government to dispatch troops to Cyprus. But even if I could take satisfaction from having done the proper thing in the house, I must say that procedural difficulties did rest somewhat heavily on my mind and heart over the week end. We are now discussing this matter on a Wednesday afternoon when the tension of Friday night has entirely disappeared. The atmosphere today is vastly different from that of Friday night, when we were in the middle of an international situation that required immediate attention.

Mr. Ron Collister of the Toronto *Telegram* had an article in the *Telegram* last night in which he spoke of the proceedings last Friday as:

> The drama of Friday the 13th, a fantastic day in history, adds up to this—

And then he goes on to give the points dealt with in Friday night's debate. The editor of the *Telegram* put as a heading on Mr. Collister's dispatch, "only two hours from war."

When you consider that we were debating a matter that was keeping the world only two hours from war you must realize that all present in this chamber were well aware of the import of their every word and action. I know it was the feeling of the great majority in the house that, "If it were done when 'tis done, then 'twere well it were done quickly." That was the attitude of the great majority.

Some speakers this afternoon have endeavoured to state that the error, if any, committed on Friday night, is the responsibility of the government. Might I point out that the *Globe and Mail,* in its report on Saturday last of the events of Friday evening, had this paragraph on page 10:

> Attending the emergency sitting were 38 Liberals, 34 Conservatives, eight New Democrats, one Social Crediter and three Creditistes.

That adds up to 38 Liberals and 46 in the opposition. If the error of Friday night, if any were committed, is to be ascribed to anyone, certainly it could not be given to a minority of 38 against a combined opposition of 46.

Some hon. Members: Oh, oh.

Mr. Cowan: In speaking further on that question I would like to say that I thought the saddest words spoken in this house on Friday were those of the hon. member for Roberval (Mr. Gauthier) who, during the course of his objections to the procedure in the house said, "I know that my speech is of no avail . . ." These words are to be found at page 924 of *Hansard* for Friday last, and it made me very sorrowful to think that an hon. member of parliament could stand up and make the impassioned address that the hon. member for Roberval made, and then believe that his speech was of no avail. Surely he must have pride in the parliamentary institutions of Canada today when he realizes the full dress debate that has been given for several hours this Wednesday afternoon to the actions of the three members of the Creditistes on Friday night.

I sincerely hope he will agree with me that his speech was of great avail, and that he will take satisfaction in the workings of the parliamentary institutions of this great country, where each member of parliament knows he can bring forward the desires of his area, set them forth, and know they are going to be considered from all sides by men from one end of Canada to the other.

There are rules of the house. We have standing orders of the house and we have rule 42. Three members of the Creditistes, to their eternal credit, stood up in parliament and fought valiantly for rule 42, but my mother used to teach me that rules are made to be broken. When Nelson went into Copenhagen sound, under King's orders and regulations he knew he was expected to obey the instructions of the admiral of the fleet. Admiral Parker was the admiral of the fleet and he ran up the signal to withdraw. Nelson put the telescope to his blind eye, broke the King's orders and regulations, stayed in Copenhagen sound and won the battle. Are we going to ask now that Nelson's commission as an admiral of the fleet be withdrawn because he broke King's orders and regulations and stayed to win the battle?

If an error were made by the Deputy Speaker, surely to heaven we can put the rule book to our blind eye and congratulate the man on the basis that "well done is better than well said". I would like to ask the hon. member for Lapointe (Mr. Gregoire) if he would give serious consideration to asking for the unanimous approval of the house to the withdrawal of his motion. Surely it has been given the fullest attention of this parliament on the points he has raised. He knows how heavily it rests on the hearts of us all, and I would sincerely ask that he give consideration to asking for unanimous consent for the withdrawal of his motion.

Mr. Martin (Essex East): Mr. Speaker, I should like to speak on the question of the amendment before the house, and to suggest

to you with confidence that it is clearly out of order. When we are seeking to correct a situation, as the hon. gentleman seeks to do in his motion in a way that is not acceptable to most of us in the house, it would be regrettable if we committed another error.

I suggest to you, Mr. Speaker, that the amendment is, perhaps, without precedent. It is an amendment which calls upon the house to condemn itself and I suggest to you, that it is out of order. It is a substantive motion. It is not, in fact, an amendment at all, and its consequence, if adopted, would be to deprive the house of the opportunity of doing what it clearly wishes to do, that is, to express its confidence in the Deputy Speaker.

Mr. Speaker: I am prepared, with the advice of counsel, to give a ruling on the suggested amendment to the motion before the house. If hon. members will examine carefully the motion of the hon. member for Lapointe, it reads:

> That in view of the unacceptable actions of the Deputy Speaker, the hon. member for Stormont, during the sitting on Friday, March 13, 1964 from 8 to 10 p.m....be it resolved that—

This amendment, it seems to me, should be linked with the motion, and if hon. members read the amendment, with the motion as I have summarized it, it becomes inconsistent. The relevant citation is citation 203 of Beauchesne, fourth edition, paragraph 1:

> It is an imperative rule that every amendment must be relevant to the question on which the amendment is proposed. Every amendment proposed to be made either to a question or to a proposed amendment should be so framed that if agreed to by the house the question or amendment as amended would be intelligible and consistent with itself.

In the circumstances it seems to me we would not be consistent with ourselves if we were to accept this proposed amendment to the motion and therefore, in my opinion, it should not be accepted.

Mr. Erik Nielsen (Yukon): I wish to add a few remarks to those which have already been contributed by hon. members on the subject of Friday night's proceeding. I should say at the outset that I was among those who were here on Friday night, and one of those who did observe the hon. member on my far left attempting to catch the Speaker's eye in order to raise his point of order. Perhaps some of the difficulty he experienced as indicated by a reading of *Hansard*, is the fact that the *Hansard* reporters had their backs to him. But regardless of how the difficulty arose the fact is that it did.

I do not agree with the hon. member for Winnipeg North Centre when he says that all members should share—I think he implied that they should share equally—in responsibility for what was done on Friday night. Some of us, as my hon. friend for Peace River has pointed out, have very little knowledge of the rules, while others have considerable knowledge. I think the degree of responsibility in this regard should be related to the degree of knowledge of the rules of the house possessed by particular members. Certainly, those who have been here for several years and who have acquainted themselves more thoroughly with the rules should be counted upon to rise when occasions occur such as occurred on Friday night, in order that mistakes may be avoided.

When the Secretary of State for External Affairs replied to the Leader of the Opposition he intimated to the house that there was some doubt whether an error had, in fact, been made. He used the expression "if an error has been made". This was done, perhaps, because the Leader of the Opposition had earlier called upon all members of the house to agree with him that an error had been made. I do not think there is any doubt but that an error was, in fact, made, and I think the Secretary of State for External Affairs has now admitted that there was an error, inasmuch as he has just suggested we should not compound that error by accepting a motion which is out of order.

I believe that while responsibility for the error does not lie upon the Deputy Speaker, and that while the error which was committed on Friday night does not call for the grave step of censuring the Deputy Speaker, responsibility for its occurrence should be placed where it belongs. I say this on two counts, the first of which is that an alternative procedure could have been followed, as was pointed out by my hon. friend from Peace River and agreed to by the Secretary of State for External Affairs.

Mr. Martin (Essex East): I did not agree. I simply pointed out to the hon. member that the course he mentioned had been considered.

Mr. Nielsen: Then I believe that the Secretary of State for External Affairs, as I listened to him and as I observed him in his seat, was agreeing with what the hon. member for Peace River said.

Mr. Martin (Essex East): I said just the opposite.

Mr. Nielsen: The course my hon. friend suggested could have been followed if the Prime Minister had done the right thing.

Mr. Martin (Essex East): I am sure the hon. member must realize that what I said in answer to the hon. member for Peace River was this, the particular proposal he

mentioned had been considered but we had concluded, for the reasons I mentioned, that it would not be the right way in which to proceed. The hon. member for Yukon must not persist in saying that, although I rose to point out that we were against that proposal, I was in favour of it.

Mr. Nielsen: I will certainly accept the explanation given by the minister, but I think he could now rise and state unequivocally whether the suggestion referred to by my hon. friend from Peace River could have been followed by the government.

Mr. Martin (Essex East): It could have been followed, but I would ask the hon. member to reflect a little. If we had done so, we would have been censured for bringing forward a resolution with regard to something which was not even in existence—with regard to something which was wholly hypothetical. Had we proceeded in this way we would have been condemned, and rightly so.

Mr. Nielsen: I would agree with the Secretary of State for External Affairs if, either by his decision or by the decision of the Prime Minister, that had been done unilaterally. But as one hon. member has indicated—I believe it was the hon. member for Winnipeg North Centre, but I am not sure—consultations could have been carried out among the parties in the light of a serious international situation such as this requiring urgent action within 48 hours. The appropriate course would have been to conduct conversations with the leaders of the other parties so as to determine whether there would have been unanimity. And, no doubt, unanimity would have been obtained had those consultations taken place. In the light of such consultations, the course suggested by the hon. member for Peace River would have been an acceptable one to the house and the government would have incurred no censure, because prior agreement would have been obtained.

The error committed last Friday is not that of the Deputy Speaker, nor is it the error of all the members of this house sharing the responsibility equally. Responsibility for the error lies with the government and, more particularly, with the Prime Minister because it was he who placed the Deputy Speaker in the position in which he found himself. He was in the unenviable position of having to expedite a motion presented by the Prime Minister to meet an urgent international situation and in doing so, because of the pressure put on him by the situation he had to meet, and because of the ill-conceived procedure which had been decided upon by the Prime Minister and the government, he was placed in a position which has made him the object of a motion of censure. The error was generated in the first instance by the Prime Minister and by the government. That is where the fault lies. I say this because there were alternative methods of procedure which could have been followed. The Prime Minister should not have placed the Deputy Speaker in the position in which he found himself on Friday night.

As a result, the rules were abused. In the words of my hon. friend from Peace River, the rules were mutilated. The Deputy Speaker was merely an instrument in the hands of the Prime Minister in this instance. Had it not been for the bungling of the government in this situation, the Deputy Speaker would never be facing this motion today.

Mr. Speaker: Order, please. I wonder whether the hon. member would care to accept a suggestion from the Chair. Before very long it will be five o'clock, and I did suggest to the hon. member for Lapointe (Mr. Gregoire) that he might have the privilege of replying. After all, it is his motion. If we go beyond five o'clock, this matter will come up again tomorrow, unless we have unanimous consent—

Mr. Gregoire: No.

Mr. Speaker: —to go into the private members' hour.

Mr. Gregoire: No.

Mr. Speaker: I was wondering whether the hon. member for Skeena (Mr. Howard) would care to bring his interesting remarks to a conclusion in order to give the hon. member for Lapointe an opportunity to reply.

Mr. Howard: On a question of privilege, Mr. Speaker, I think you inadvertently referred to me bringing my remarks to a close. I did not have the floor; I was not engaging in the debate; I do not intend to do so.

Mr. Speaker: The hon. member for Yukon (Mr. Nielsen).

Mr. Nielsen: Mr. Speaker, I have not heard that there is any intention of the mover and the seconder of the amendment, nor the hon. member for Lapointe, to withdraw the motion. This is a course which we think should be followed. In the light of the absence of any such withdrawal, I think hon. members should express views, if they have them; and I understand there are further views to be expressed on this matter. But I personally will bring my own remarks to a conclusion very shortly.

One more facet that I want to deal with before I resume my seat, Mr. Speaker, is

that I suggest a certain deviousness on the part of government members has injected itself into the debate on this motion. It seems, sitting over here, that the design has been to regard the parties on this side of the chamber as four separate groups, rather than recognizing an official opposition. When the Secretary of State for External Affairs (Mr. Martin) comes along now and says that we must all share in what was done on Friday night—as have other members—it seems to me they are using their argument in one fashion when it suits them, and in quite another when they want co-operation in the house. Let me conclude—

Some hon. Members: Hear, hear.

Mr. Nielsen: —sir, by making two further points, and they are these. That an error was committed on Friday night there can be no doubt; and that that error lies at the doorstep of the Prime Minister (Mr. Pearson) there can also be no doubt. The other point is that—

Mr. Martin (Essex East): Mr. Speaker, since the Prime Minister (Mr. Pearson) who is not here, had heavy responsibilities at that moment as head of the government of this country, I am sure my hon. friend would want to indicate that the action taken by the Prime Minister was not only in the national interest but an attempt on the part of this country, and of all hon. members of this house, to make a contribution to peace in Cyprus and, indirectly, perhaps to peace in the world.

Some hon. Members: Hear, hear.

Mr. Nielsen: There can be no doubt at all about that, sir. I am sure the Secretary of State for External Affairs will recall that the leader of the official opposition at all times co-operated on behalf of this party in saying that unanimous consent would be given to interrupting the ordinary business of the house at any time the Prime Minister felt it necessary to do so. There was that same co-operation when it came to the conclusion of the debate, when there was no dissenting voice from this party to the sending of troops to Cyprus. The co-operation was there.

The point I make is simply that the Prime Minister was wrong in his choice of method to bring the matter before the house. There were alternate procedures available; they were not taken advantage of. There was no consultation between parties on a matter as important as this. Because of these factors the Deputy Speaker was placed in this unenviable position of facing a motion of censure, a motion that I suggest was brought on by the ill-conceived decisions as to procedure that were made by the Prime Minister and the government.

Mr. Gregoire: Mr. Speaker, I do not want to close the debate, but I would just like to ask a question of the hon. member. Since he has pointed out the man who he thinks is responsible for this situation, is it the hon. member's intention to bring a motion blaming the person responsible?

Mr. Nielsen: Mr. Speaker, I believe that under our rules it is impossible at this time to raise a subamendment to a motion of this nature.

Some hon. Members: Question.

[*Translation*]

Mr. C. A. Gauthier (Roberval): Mr. Speaker, I would not have taken part in the debate had I not been challenged. I took part in the debate last Friday evening, until the very end, and it was said that my speech had been a little harsh because I stated to the house that I knew very well that I was speaking for nothing. I meant what I said then because I had witnessed so many violations of the rules of the house.

Mr. Speaker, when you try to follow the rules and to learn them a little more each day and you see old politicians, who always jump up if we go against the rules, do so themselves blatantly, you cannot help but feel that it is enough to demoralize a young member. And sincerely, last Friday evening, I asked myself if the house could really sit today in view of all those violations of the rules.

We are now discussing the motion of the hon. member for Lapointe (Mr. Gregoire) and everybody seems to be confessing his guilt. Everybody is beating his breast and feels a bit responsible, except the real culprits. That is what I find strange, Mr. Speaker.

I admire those who recognize that they have transgressed our regulations but, as I say, I blame those who refuse to acknowledge their responsibility and who bear in fact the largest part of the guilt.

Mr. Speaker, may I call it five o'clock?

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

[*Text*]

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

HISTORIC SITES AND MONUMENTS

SUGGESTED ACQUISITION OF RESIDENCE OF SIR JOHN A. MACDONALD AT KINGSTON

Mr. A. D. Alkenbrack (Prince Edward-Lennox) moved:

That, in the opinion of this house, the government should consider the advisability of acquiring the title to the historic residence of this nation's first prime minister, the Right Honourable Sir John A. Macdonald, the same being the property known as 35 Centre street, in the city of Kingston, Ontario.

[*Translation*]

Mr. Gregoire: Mr. Speaker, according to the order paper, shall we study the public bills or the notices of motions? Looking at the order paper for Wednesday, March 18, I see this: from five to six o'clock p.m., private members' business: first, notices of motions and then public bills.

[*Text*]

Mr. Speaker: This is what I have called, and we are taking No. 4, standing in the name of the hon. member for Prince Edward-Lennox (Mr. Alkenbrack). If the hon. member will refer to the order paper, I think he will see that this is correct.

Mr. Benson: I rise on a point of order, Mr. Speaker, in connection with the motion before the house. In doing so I would first of all say that I personally agree wholeheartedly with the motion before the house; and the government agrees with it, as is exemplified by the rapid action of the Prime Minister (Mr. Pearson) in this regard when this particular residence came up for purchase.

Mr. Speaker: Order, please. What is your point of order?

Mr. Benson: My point of order—and I must explain the action taken by the government in order to raise my point of order—is that the Prime Minister (Mr. Pearson) announced on December 23 that this particular residence would be purchased. At that time I had met with both with the Prime Minister and the Minister of Northern Affairs and National Resources (Mr. Laing), and by action of the treasury board on January 16, 1964, reference No. 6619768, it was agreed to purchase this particular residence. Therefore, the intent of this particular motion has already been carried out. I maintain that it is a dangerous precedent—

Mr. Speaker: I am sorry to interrupt the hon. member, but it seems to me that the reasoning he is following and the words he is uttering could easily be made during the debate itself which is about to take place. I do not see a point of order at this moment.

[Mr. Speaker.]

Mr. Herridge: Sheer propaganda.

Mr. Benson: If I might succinctly state my point of order, we are using the time of the house to discuss a motion which asks the government to do something which it has already done. If we carry this to its ridiculous conclusion, Mr. Speaker, we could put motions on the order paper asking that the government enter world war II, and then debate in this house recommendations that the government do things which have already been done.

Mr. Speaker: I understand that the hon. member for Kingston is saying that the government has acted in this matter and has purchased the house, but so far as the other hon. members in the house are concerned, there is no definite proof of this except the statement of the hon. member.

Mr. Benson: But I did quote the treasury board reference, and the date the purchase was approved by treasury board.

Mr. Speaker: Then in the circumstances I should like to ask for the views of the hon. member on this matter.

Mr. Alkenbrack: Mr. Speaker, I thank you for your attention in this matter. I was going to, and I will, commend the government and the hon. member for Kingston (Mr. Benson) on their assiduous attention to this resolution. I want to commend the government on their action and on their discernment in the purchase of this property, the matter having been mentioned to them by my leader. I submit that we are not wasting the time of the house. A considerable amount of time has been wasted this afternoon, but I think it is now time that we took a little interval to discuss what has been accomplished in the past by the great leaders which this country has produced.

Mr. Speaker: I am sorry I must interrupt the hon. member, but I understand he is speaking to the resolution, not the point of order. Does the hon. member wish to say anything on the point of order under discussion?

Mr. Alkenbrack: No, Your Honour, I have nothing to say on the point of order, but I do have more to say on the resolution.

Mr. Lambert: Mr. Speaker, may I say a few words on the point of order. Whatever knowledge the government may have in this regard, and despite the hon. member for Kingston having disclosed that there is a treasury board minute authorizing the acquisition of the title to this house, no disclosure has been made as to why the house is being bought which would be at all in conformity

with resolution put forward by the hon. member. The purpose of the resolution is recommendation that the property be acquired as a memorial to Sir John A. Macdonald. Nothing has been indicated in this regard in any announcement made, and therefore I submit that the hon. member should be allowed to proceed with his resolution.

Mr. Benson: Mr. Speaker, if I may speak in this regard, the Prime Minister made a statement on December 23 which quite clearly indicated the purpose for which this house was acquired. If I may quote on the announcement, the Prime Minister said:

A program for restoring this house will be undertaken, and it is my hope that this work can be completed within two years. This house will be refurnished not only in the style of Sir John A.'s time but with some of the actual furniture used by him. This house will represent a proud historical trust of the Canadian people. As such, it is my sincere hope that it will contribute in real terms to keeping alive the memory of a very great Canadian.

Mr. Howard: Mr. Speaker, could I pose this thought on the point of order. From my own point of view I do not subscribe to this suggestion, but it may well be that some hon. members in the house may want to put forward ideas as to what should happen to the property which differ from those mentioned by the hon. member for Kingston, as announced by the Prime Minister. Those ideas and thoughts which hon. members have by way of debate or amendment may possibly be precluded if this motion is ruled out of order. I think it is better to proceed so that views can be expressed, first about the advisability of acquiring this property—because that is what the motion says—and second, as to what should happen to the property once it is acquired. The views expressed might be quite different from those enunciated by the hon. member for Kingston.

Mr. Speaker: I may say at this stage that I have very grave doubts whether we should proceed with the debate of this matter inasmuch as the motion is asking that something be done which has already been done. However, I think the benefit of the doubt should be given to the hon. member for Prince Edward-Lennox (Mr. Alkenbrack).

Mr. Alkenbrack: Thank you, Mr. Speaker. I must agree with the hon. member for Skeena (Mr. Howard) that although this action has been taken, and timely taken, by the government, a review of the matter might be made, and some good ideas put forward by hon. members might also be incorporated into the fulfilment of this historic undertaking. I too have the same notes which were recently read by my hon. friend from Kingston (Mr. Benson) in connection with the tentative program of the government to preserve what will be a national memorial. In passing I also wish to commend the minister of northern affairs, who is in charge of the national historic sites board, for the administration of this matter.

For those who have been watching from the sides, the citizens of this country who, of course, pay the bills in this regard, some of the younger generation and the new Canadians might ask: "Who is Macdonald?" That is a good question. To you, to me and to the hon. members of this house Macdonald is a legend. To us Macdonald represents Canada itself and his image crosses party lines in this regard, in the same way Laurier represents Canada to many people. Laurier represents a fine period of accomplishment which was achieved under his civic administration. His patriotic desire to serve his country came from the same springs which were the source of Macdonald's.

The question is: Who was Macdonald? I have done a little research and have found a handy little book in our library. As I walked out of there with the book there came to me a realization of the fact that the library was built by men of Macdonald's ilk, men who have gone before and have left something for us that will last forever. The book dates back to 1880 and I have obtained the following information from it which should be interesting to hon. members. The book is the Canadian Parliamentary Companion and Annual Register of 1880. I believe it corresponds to our Parliamentary Guide of today.

Macdonald, the right hon. Sir John Alexander, K.C.B., D.C.L. (Oxon), L.L.D., Q.C. (Victoria, B.C.)—

I take it that is where that honorary title was conferred on him.

—privy councillor. Eldest son of the late Hugh Macdonald, Esq., of Kingston, Ont., and formerly of Sutherlandshire, Scotland.

Our first prime minister was born in Scotland and came to Canada as a very young child.

Born 11th January, 1815. Educated at Royal Grammar school, Kingston, under Dr. Wilson, a fellow of Oxford university. Married first, Isabella, daughter of the late Alexander Clark, Esq., of Dainavert, Invernessshire, Scotland. She died 1856; second, 1867, Susan Agnes, daughter of the late hon. T. J. Bernard, a member of Her Majesty's privy council of the island of Jamaica.

Studied law with the late Mr. George Mackenzie and was called to the bar, Upper Canada, hilary term, 1836. Created a Q.C. 1846.

That was in the illustrious reign of our great sovereign, Victoria.

A bencher, ex officio, of the law society of Ontario; and head of the extensive law firm of Macdonald, Macdonald and Marsh, Toronto. Is the grand representative in Canada of the grand lodge

of ancient free and accepted masons of England and holds the rank of a past grand senior warden of the freemasons of Canada.

Remember that he was alive at the time this was written and that is why it is written in the present tense.

Was a member of the executive council of Canada from 11 May, 1847, to 10 March, 1848 in the administration of the late hon. Mr. Morris—

That is approximately about the time he lived in this house in Kingston which is now the property of the people of Canada.

—from 11 September, 1854, to 29 July, 1858, in the McNab-Morin, the Tache-Macdonald, and the Macdonald-Cartier administrations; from 6 August same year to 23 May, 1862, in the Cartier-Macdonald administration; and from 30 March, 1864, until the union in the Tache-Macdonald and the Belleau-Macdonald administrations; and was during these several periods, receiver general from 21 May to 7 December, 1847; commissioner of crown lands from latter date to 10 March, 1848; attorney general for Upper Canada from 11 September, 1854, to 29 July, 1858, when as prime minister he and his cabinet resigned, being defeated on the seat of government question.

Remember that it was about this time, 1858, that the city of Ottawa became the capital of Canada.

Returned to office 6 August same year as postmaster general, a position he resigned the following day on his re-appointment as attorney general, Upper Canada, which he continued to hold until the defeat of the administration on the militia bill, May, 1862, when he and his colleagues again retired from office. The late Sir George E. Cartier and he led the opposition in the assembly until the defeat of the Sandfield-Macdonald-Dorion government, when the Tache-Macdonald government was formed, 30 March, 1864, and he returned to his old office of attorney general and was government leader in the assembly from that time until the union of the British American provinces, 1867. Held the office of minister of militia affairs jointly with that of attorney general from January to May, 1862, and from August, 1865, until the union. Was requested to take the place of Sir E. P. Tache as prime minister on the death of that gentleman in 1865 but waived his claim in favour of Sir N. F. Belleau. Has been a delegate to England and other countries on public business on many occasions and was a delegate to the conference in Charlottetown in 1864, which had been convened for the purpose of effecting a union of the maritime provinces, to that which succeeded it in Quebec, same year, to arrange basis of union of all British American colonies—

As you can see, his career now pyramids to the great task to which he and his colleagues devoted themselves.

—and was chairman of the London colonial conference, 1866-67, when the act of union known as the British North America Act was passed by the imperial parliament. On 1 July, 1867, when the new constitution came into force, was called upon to form the first government for the new dominion, and was sworn of the privy council and was appointed minister of justice and attorney general of Canada, an office he continued to fill until he and his ministry resigned on the Pacific railway charges, 6 November, 1873. In 1871 was appointed one of Her Majesty's joint high commissioners and plenipotentiaries, together with Earl de Grey, now Marquis of Ripon, Sir Stafford Northcote, Sir Edward Thornton and the right hon. Montague Bernard, to act in connection with five commissioners named by the president of the United States for the settlement of the Alabama claims and of matters in dispute between Great Britain and the United States, the labours of which joint high commission resulted in the treaty of Washington signed at Washington on 8 May, 1871.

Received degree of D.C.L. (hon.) from Oxford university, 1865. Is also LL.D. of Queen's university, Kingston, and a D.C.L. of university of Trinity college, Toronto. Created Knight Commander of the Bath, civil, by Her Majesty, July, 1867. Created a Knight Grand Cross of the Royal Order of Isabel la Catolica, of Spain, January, 1872. Nominated a member of Her Majesty's most honourable privy council, July, 1872, and sworn in August, 1879. Unanimously elected leader of the Canadian Liberal Conservative opposition, 6 November, 1873. Sat for Kingston in Canadian assembly from November, 1844, until the union. Returned for same seat in the Commons at general election, 1867, at general election, 1872 and at general election, 1874. Unseated on petition, 21 November, 1874; re-elected 29 December, 1874. Contested the city of Kingston at last general election when he was defeated. Immediately afterwards was elected by acclamation for Marquette, Manitoba, which he vacated by having accepted office as premier and minister of the interior on 17 October, 1878, which position he now holds. Was then elected with Mr. DeCosmos for Victoria, B.C., for which he is now senior member. The following are among the principal measures which have been carried through parliament by the right hon. knight.

This should be very interesting, Mr. Speaker, to hon. members because it gives in capsule form a list of the accomplishments of our first prime minister. They are as follows:

The secularization of the clergy reserves; the improvement of the criminal laws; the promotion of public instruction; the consolidation of the statutes; the extension of the municipal system; the reorganization of the militia; the settlement of the seat of government question; the establishment of direct steam mail communication with Europe; the establishment of additional penitentiaries, criminal lunatic asylums and reformatory prisons, and providing for the inspection thereof; the providing for the internal economy for the House of Commons;

This is one of the features upon which we all depend in this body. I continue reading the list:

—the reorganization of the civil service on a permanent basis; the construction of the Intercolonial Railway; the enlargement of the canals—

This last item seems fairly unimportant today because our internal canals are used mostly for tourist and pleasure purposes, but I remind hon. members that at that time our canal system was our main means of communication because activity in relation to railways had barely started. I continue reading the list:

—the enactment of a stringent election law; the ratification of the Washington treaty; the confederation of British North America and the extension and consolidation of the dominion. In his position as leader of the opposition, Sir John, on several occasions, gave the late government the

benefit of his ability and long experience in perfecting several of their most important measures, notably the insolvent act and the act constituting the supreme court of the dominion.

This, Mr. Speaker, is a résumé of the activities of our first prime minister during that period.

Now, what does Macdonald mean to the land he represented? What does he mean to Kingston? What does he mean to Lennox? What does he mean at the present time to my riding of Prince Edward-Lennox? I remind hon. members that at one time he did run for office when the seat of government was in Toronto, and he was one of the earliest representatives of the county of Lennox. Lennox, Mr. Speaker, is the land of Macdonald. It, along with the whole of the bay of Quinte district is included in the sphere of influence of this great man during his lifetime. In the county towns of Picton and Napanee there are still a few people who remember Macdonald. These people probably remember him when he was beginning his career, and they were tiny children.

The influence of this great man is indelibly stamped on the city of Kingston. In passing, I would say that every time I go from Ottawa to my riding and I go by the southern route, especially at night, every time we come within view of that city, and its lights spread below us I call it "Mother Kingston". Kingston has been the social, legal and civic centre for our section of Ontario during the pioneer days. I should like also to remind hon. members that Kingston is not the oldest section of our part of the province. Adolphustown, the place where Macdonald lived as a child, is just as old as Kingston, and Napanee and Picton are just a little younger. Adolphustown is recognized also as one of the landing points of the United Empire Loyalists. No Canadian can visit the old restored cemetery there today without thinking of the origin of his country and its proud heritage. As everyone knows, Mr. Speaker, the loyalists were the original settlers of Prince Edward-Lennox and Macdonald became their great protagonist. The principles that were born here at Adolphustown have been inculcated and maintained in many other places across this country, and they still hold good today. I wish to put a quotation on the record referring to these loyalists, their memorial at Adolphustown on the bay of Quinte, and the civil legacy they have bequeathed to Canada.

> Draw near Canadian, your destiny
> Was nourished in the turf on which you stand.
> This burnished benchmark of a broad new land
> Enfolds the dust of those who made you free.
> Now look beyond this anchorage of rest,
> Their greater living monument command
> The architecture of this patriot band,
> One mould monolith from east to west.
> These exiled poor, the potent leavening
> That blends forever through our nation's sod
> Burst on these regions like the breath of spring
> With faith in flag and love for law and God,
> Their legacy, dominion lithe and strong,
> Their eulogy, a great triumphant song.

These are the words about which I like to think when I think about Macdonald, the land of Lennox where he lived as a boy. This is what every loyal Canadian in the bay of Quinte district likes to think about when they think of the hard, tough role that was played by the loyalists and their contemporaries, by those great leaders who have gone ahead and who have built what we have here today.

I am sure hon. members would like to be reminded of the fact that right in this air space, when discussing the building of this centre block, those men stood debating and solving the difficult problems of their time, probably problems far more difficult to them than ours are to us, problems that faced a young country in the 1860's.

Macdonald had help. No man can do things alone. Hon. members have found that out before they came here, in their municipalities and in the work which led up to their coming here. Macdonald had the faculty of getting things done and of getting men to work with him.

Mr. Winch: Are you referring to the C.P.R.?

Mr. Alkenbrack: I am not referring to that alone, although the same thing applies there too.

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

Mr. Alkenbrack: There will be time for you to make your remarks later. Speaking on March 6, 1865, during the parliamentary debates on confederation, Macdonald said:

> The government will, therefore, at once state that it is our design to press, by all proper and parliamentary modes of procedure within our power, for an early decision of the house—yes or no—whether they approve of this scheme—

—namely, confederation—

> —or do not. One great reason, among others, calling for promptness, is to provide as much as possible against the reaction which will take place in England from the disappointment that will pervade the minds of the people of England, if they get the impression that the project of the union of the provinces is abandoned.

The Acting Speaker (Mr. Batten): Order. I apologize for interrupting the hon. member, but the time allotted to him has expired.

Mr. MacNaught: I think it would be the opinion of the house to allow him to continue, Mr. Speaker.

The Acting Speaker (Mr. Batten): Does the house give unanimous consent for the hon. member to continue his remarks?

Some hon. Members: Agreed.

Mr. Alkenbrack: I wish to thank hon. members for their kind consideration. To continue the quotation, Macdonald said:

> I believe that if one thing more than another has raised British America, or the Province of Canada, its chief component part, in the estimation of the people and government of England, it is that by this scheme there was offered to the Mother Country a means by which these colonies should cease to be a source of embarrassment, and become, in fact, a source of strength.

That illustrates the foresight that he and his colleagues had, looking forward to the day when this great conglomeration of states and provinces would become a source of strength to the motherland. What an underestimation that was, after almost a century in which Canada has played her noble part, and now one nation free and independent from sea to sea.

As I have said, Mr. Speaker, Macdonald had help. He had a great colleague and great political ally in Sir Georges Etienne Cartier, the leader of the Conservative party in the province of Quebec. In order to keep properly on this theme I cite the great Gallic attitude toward confederation at that time, as portrayed by Sir Georges Etienne Cartier.

[*Translation*]

Mr. Speaker, allow me to quote the words spoken by Macdonald's political partner, Georges-Etienne Cartier, in 1865, as reported in the third edition "L'Histoire du Canada par les Textes":

> Therefore, the confederation of all British provinces must take place, otherwise we shall join the American confederation.

As the audience showed its disagreement to such a consequence, he further stated:

> I knew you would react like this, and I am pleased with your protests. I know that all those present wish to complete this great national task which will unite together all the main interests of the colonies and make of us all a real nation. I am not claiming that this nation will be separate from the mother country. But when I talk about creating a confederation, I mean that the powers given to the various provinces by the imperial government will be combined and entrusted to a single general government. And, if that happens, I will feel that I contributed to a wonderful achievement—

[*Text*]

I now wish to make a comment regarding another matter but which concerns the preservation of our national historic sites. I quote from the Toronto *Star*, that great Toronto organ, a free newspaper, thanks to Macdonald and our forefathers, which at the end of a rather long editorial which I am sure all hon. members received, said, "A nation which forgets its past is likely to have a short future." I am sure all hon. members agree with that truth, and that Canada as one nation will never forget her past as she guards her future nationhood.

In conclusion I wish to thank all hon. members for the support which they have given to this motion, and I again wish to commend all those who were connected with it and with the project of preserving the residence of our first prime minister, namely "Bellevue" in the city of Kingston.

Mr. E. J. Benson (Kingston): Mr. Speaker, I wish to speak only briefly concerning this particular motion. As I mentioned when I raised a point of order at the opening of this debate, the government—and also speaking for myself personally—certainly are in favour of the resolution as put forward. As a matter of fact the government was so in favour of it that it had carried out the intent of the motion, and not only considered but decided upon the acquisition of this particular property before the motion was put on the order paper.

I should like to congratulate the hon. member for Prince Edward-Lennox (Mr. Alkenbrack) on his remarks with respect to Sir John A. Macdonald, and I should like to join with him in his eulogy of this great Canadian. I am proud to represent in the House of Commons the riding which was formerly represented by Sir John A. Macdonald. I think Sir John A. Macdonald was certainly one of the greatest, if not the greatest, of the architects of confederation—one of the men who brought this nation together and created the relationship between the French and the English in this country, which made the creation of Canada possible.

I believe that we in Canada do not honour our great Canadians enough. Certainly, I was proud and happy that the government should have made the decision to purchase "Bellevue" house at 35 Centre street in Kingston. This house, built between 1841 and 1843 when Kingston was the legislative capital of the united Canadas, is one of the earliest known examples of the Italian villa style of architecture in Canada. It is located in an attractive residential area of Kingston, among several other homes and estates built during the construction boom that followed the selection of Kingston as the new capital. John A. Macdonald, who was then a member of parliament, moved into "Bellevue" with his wife, infant son and servants in August, 1848. He rented the house from the owner Charles Hale, until late 1849 or early 1850. Although the house was both large and expensive, he chose it in the hope that the semi-rural setting would benefit his ailing

wife and because several of his political associates and clients lived in the neighbourhood.

An hon. Member: A rural setting in Kingston?

Mr. Benson: I should like to point out that this particular house which was then in a rural area is now in the heart of the city in a prized residential area.

Before moving into "Bellevue", Sir John successfully contested the election of February, 1848, although the Tory party to which he belonged was defeated.

When this question was first brought to his attention, the Prime Minister (Mr. Pearson) decided immediately that the present government should acquire this property, and I concur in this decision to have the Kingston house preserved. Although it is true that Sir John A. Macdonald did not live there for a long period, it is the last house in Kingston still standing with which Sir John A. Macdonald had a connection, and I believe it is fitting that Kingston, the riding which was represented by him should possess some suitable monument to remind people of his connection with the constituency.

As I mentioned earlier, it was decided on December 23, after negotiations in which I am pleased to have played a part, that the federal government should purchase this property from its owner, Dr. J. M. R. Beveridge, at a cost of $35,000. The Prime Minister stated at the time of the purchase that it would be suitably renovated and kept as an historic monument in the city of Kingston to Sir John A. Macdonald. As a matter of fact, in January, 1964, a team of national parks branch specialists examined the house. A preliminary plan for restoration has since been drawn up. This will cover essential repairs to the house, restoration of interior details to the period of the 1840's, refurnishing of the rooms and appropriate landscaping of the grounds. In this connection I should like to pay tribute to the Kingston historical association and to Mr. Phelps of Kingston who have expressed great interest in this project. The association has gone so far as to indicate it will assist the government of Canada to whatever extent may be necessary so as to ensure that this property is outfitted as a fitting monument to Sir John A. Macdonald.

I believe that in addition to this Kingston property there is another residence in Canada, Earnscliffe, in Ottawa, presently occupied by the United Kingdom high commissioner, which had a long association with Sir John A. Macdonald, and it is my personal feeling that the government of Canada should ultimately acquire this property and establish the former home of Sir John A. Macdonald in the capital of Canada as a fitting memorial to him. I believe it was altogether right that the government should have purchased the property in Kingston, because Sir John A. Macdonald is looked upon as Kingston's most famous son, and the fact that he was the first prime minister of Canada and did so much both for the city of Kingston and for our country as a whole makes him obviously deserving of commemoration. This government, I am proud to say, took action in this connection, although previous governments such as the Conservative government which immediately preceded it, failed to take action to acquire the property, although such a course was urged upon them by many of the citizens of Kingston riding.

Mr. Harold E. Winch (Vancouver East): The hon. member who has just spoken has, perhaps indirectly, brought to the attention of the house a question I had in mind, namely the basis upon which the government makes decisions on the subject of historic sites generally—what precisely constitutes a historic site and which of these sites should be bought by the people of Canada.

Everybody honours, or should honour, the name of Sir John A. Macdonald, one of the founders of confederation. Nobody will question the contribution he made to this country, and nobody will question his ability, although I will say that on occasions such as this there can be a little too much sanctimonious talk. I could not help recalling when we were listening to the historical review given by the hon. member who moved this motion that though, undoubtedly, there were times meriting cheers for Sir John A.—and there should be cheers—at the same time there were plenty of times for jeers, too. One has only to remember the history of the C.P.R., and Van Horne, and the politics of that day. However, all that is a long time in the past. We all admit the great contribution made to this country by Sir John A. Macdonald and we all agree that his contribution should be recognized by its commemoration in connection with a historic site. However, I should like to know the basis upon which these historic sites are chosen, whether they affect a man, a city or a province.

The city of Vancouver is the third largest city in Canada. Yet when we want to get the place from which Vancouver started that is New Brighton park, established on the basis of a national historic site, we have to go through a committee. If the committee says no, then the government says no. On what basis are such decisions made? Also, in honouring a great prime minister, on what basis does the government decide that the location should be selected? In recent weeks

I have read a great deal in newspapers and magazines to the effect that this great prime minister Sir John A. Macdonald hated and despised this house in Kingston. He lived there for only seven months, called it a monstrosity and wanted to get out of it.

If all the newspaper reports and history are correct, and that is the true situation, on what basis does the government make a decision to buy this house, and not the one in the city of Ottawa where he lived for years? Is there some basis of priority? I do not know, and I think we should know. In no way do I wish to deprecate the idea of this government honouring Sir John A. Macdonald's memory and acquiring a residence which will be maintained over the years as a reminder of this man's great history, but I strongly believe that when decisions of this nature are made there should be some understanding as to the basis and the principle upon which they are made.

However, Mr. Speaker, I will conclude by just saying that as the decision has been made—and all honour to Kingston that it has been made—I sincerely hope that the proposal will be considered, and considered in the near future, of having the home of Sir John A. Macdonald in Ottawa maintained as an historic site and monument, as is today and has been for years the home of Mackenzie King. It is my understanding—only from reports—that the United Kingdom government would give very serious consideration to any request from the government of Canada with regard to the purchase of that home for this specific purpose. I hope this will be kept uppermost in mind by the government.

Mr. John R. Matheson (Leeds): Mr. Speaker, I am interested in this recommendation.

Mr. Fisher: Don't talk it out, killer.

Mr. Matheson: I have been interested in this Centre street property since being elected to this house in the middle of 1961. I have visited it several times and over two years ago discussed the possibility of the purchase of this property with Mr. Ian Imrie, one of our research experts in the historical section of the Department of Northern Affairs and National Resources. I think we regret, as the hon. member just mentioned, that Sir John A. did in fact live at "Bellevue" for such a very short period of time. Perhaps one of the things—

Mr. Winch: He also lived in Victoria, on Vancouver island.

Mr. Matheson: Yes, and elsewhere in the Kingston area. One of the things to which we should give consideration in due time is Sir John A.'s grave, which is a rather shabby looking resting place for the first prime minister of this country. I know that one does not disturb graveyards—at least, one effects changes very cautiously—but I am sure the condition of this grave would bring pain to many members of parliament. I have been there at different times with my children and with visitors whom I have brought to the Cataraqui cemetery. I know hon. members would not be satisfied with the appearance of the final resting place of the first prime minister of Canada. One of the difficulties, of course, in doing a really good job on this Centre street residence is to adequately restore two residences, one in Ottawa and one in Kingston.

Mr. Winch: How about Victoria, where he was welcomed after Kingston kicked him out?

Mr. Matheson: It seems clear that to furnish the residences in Kingston and in Ottawa with authentic Macdonald furniture would be quite impossible. However, we have artisans who can very effectively copy the furniture of that period, and we have developed a good deal of experience in this sort of thing in Upper Canada Village on the Crysler farm property. I have no doubt that when the Department of Northern Affairs and National Resources have finished with this project, it will have been done creditably and well. The Department of Northern Affairs and National Resources might be interested in looking at an old stone law office of Sir John A., which I think could be acquired and perhaps should be acquired by the country. It is very much as it was, and is still there. This is a property with which Sir John A. was associated, not for a few months but for many years. I am sure there is wide support from all hon. members of this house for this motion, and it is not my purpose to detain the house any longer.

Some hon. Members: Question.

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

Some hon. Members: Question.

The Acting Speaker (Mr. Batten): Mr. Alkenbrack, seconded by—

Mr. Benson: The hon. member is not in the house.

Mr. D. G. Hahn (Broadview): Mr. Speaker, can we reasonably and legitimately pass a motion dealing with something that has already been done? The property is about to be acquired, plans are being laid to achieve the objectives of the motion and to restore the property to its condition at the time

Sir John A. lived there, including the furnishings and all the other accessories, so it will be a proper and fitting shrine and memorial to Sir John A. and the town of Kingston. It would seem to me that this is a very desirable and worthy thing. I think we all agree that we should do this, and it seems rather pointless to put a motion through the House of Commons saying that we want to do this when the action necessary to have it done has already been taken.

I think that to pass this motion would serve very little useful purpose. We on this side of the house are sometimes accused of being partisan, and rightly so; but I think we on this side respect this person as much as anybody in any part of the house. We respect him as much as people across the country, and are very anxious to see that this residence is turned into a fitting shrine, paying tribute to this great Canadian leader. Mr. Speaker, may I call it six o'clock?

Some hon. Members: No.

Mr. Hahn: I think it is very, very close to six o'clock.

Mr. Fisher: Sir John A. Macdonald is surely worth another minute.

Mr. Hahn: I believe, Mr. Speaker, that I still have the floor. I have not yielded the floor.

Mr. Knowles: If you stand there, it will be six o'clock in 30 seconds.

Mr. Fisher: You will never die, Sir John A.

Mr. Knowles: Just stand pat, like the Liberals.

Mr. Hahn: I think, Mr. Speaker, we should all recognize that the action to acquire and renovate this property has been taken by this government. Those on the other side of the house who would like to see a vote taken should bear in mind that it is a Liberal government which has put into motion the plans to acquire a memorial to one of the great Conservative leaders of this country. I think this is something that should be recognized and is a tribute to this government.

The Acting Speaker (Mr. Batten): Order. It being six o'clock, the hour for the consideration of private members' business has expired.

BUSINESS OF THE HOUSE

Mr. Churchill: Mr. Speaker, will the house leader announce the business for tomorrow and perhaps Friday.

Mr. Favreau: Mr. Speaker, I was going to suggest that by consent we extend the time in order that the hon. member might finish his speech.

Mr. Knowles: That would embarrass him.

Mr. Favreau: It is my hope that we can commence the budget debate early tomorrow afternoon. As soon as the motion which was debated this afternoon has been disposed of, the budget debate will commence and will continue throughout the day and throughout Friday. Tomorrow we shall be in a position to announce the business for the whole of next week until the recess.

At six o'clock the house adjourned, without question put.

HOUSE OF COMMONS

Thursday, March 19, 1964

The house met at 2.30 p.m.

EXTERNAL AFFAIRS

CONCURRENCE IN FIRST REPORT OF STANDING COMMITTEE

Mr. John R. Matheson (Leeds) presented the first report of the standing committee on external affairs, and moved that the report be concurred in.

Motion agreed to.

THE MINISTRY

RESPONSIBILITY RESPECTING REVENUE DEPARTMENT AND HOUSING ACT

Right Hon. L. B. Pearson (Prime Minister): I should like to inform the house that the President of the Privy Council has assumed temporarily the responsibilities of the Minister of National Revenue, and the Postmaster General has been appointed to be the minister responsible for the direction of Central Mortgage and Housing Corporation and the administration of the National Housing Act.

BROADCASTING

TABLING OF JOINT REPORT RESPECTING COMMUNITY ANTENNAE

[*Translation*]

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, the government received today the report of the board of broadcast governors on community antenna television. I should like to table two French copies and two English copies of that report.

The government immediately undertook a study of the report and, as soon as possible, it will announce its policy on this important matter.

[*Text*]

[*Later:*]

On the orders of the day:

Mr. A. D. Hales (Wellington South): My question is directed to the Minister of Transport. In view of the fact that the recommendations of the board of broadcast governors were tabled today, would the hon. gentleman assure the house that no changes in the regulations under the act will be made before the house has had an opportunity to debate this whole question?

Hon. J. W. Pickersgill (Minister of Transport): As my colleague the Secretary of State indicated when he tabled the report, the government intends to give urgent consideration to these recommendations, and I can assure the hon. member that no changes in the existing regulations will be made until they have been communicated to the house in advance, so that all hon. members and everyone else interested may know what is intended.

Mr. T. S. Barnett (Comox-Alberni): I had a question for the Secretary of State, but since he appears to have been called out of the house I would address it to the Prime Minister. I wonder whether in view of the widespread interest in the subject matter involved, the Prime Minister would agree to asking consent to have the report from the board of broadcast governors which was tabled today by the Secretary of State printed as an appendix to today's *Hansard*?

Right Hon. L. B. Pearson (Prime Minister): I would have no objection to doing so if the house would consent to that being done.

Mr. Speaker: Is it the wish of the house that this report be printed as an appendix to *Hansard*?

Some hon. Members: Agreed.

[*Editor's Note: For text of document above referred to, see appendix.*]

TRADE

CEREALS—NEW ARRANGEMENTS PROPOSED BY U.K.

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, the British minister of agriculture, Mr. Christopher Soames, tabled in the British House of Commons yesterday a white paper containing details of Britain's proposed new arrangements for cereals. As the house will recall, I have on previous occasions referred to the close consultations which have been maintained with the British government on this matter.

These arrangements are, of course, of major importance to us. Canada, together with the other principal overseas suppliers, has been working out with the British a co-operative agreement designed to further strengthen and promote the mutually advantageous trade in cereals. Agreement has been reached in principle and it is expected that a formal exchange of letters will be effected shortly.

Details of these arrangements and the exchange of letters will be announced as soon as the agreement has been concluded.

HOUSE OF COMMONS

MOTION OF NON-CONFIDENCE IN DEPUTY SPEAKER

The house resumed, from Wednesday, March 18 consideration of the motion of Mr. Gregoire:

That, in view of the unacceptable actions of the Deputy Speaker, the hon. member for Stormont, during the sitting on Friday, March 13, 1964, from 8 to 10 p.m.

(1) In transgressing the standing order of the house which requires that unanimous consent be given to waive the obligation for two days' notice of the presentation of a resolution prescribed by standing order 41;

(2) In transgressing standing order 42 of the house which requires that the member who presents a motion of urgency, with the unanimous consent of the house, without notice thereof as required in standing order 41, must previously explain the urgency of the same; and

(3) In depriving certain members of the house of a right and privilege recognized by standing orders;

For these reasons, be it resolved that the Deputy Speaker no longer has the confidence of this house.

[*Translation*]

Mr. C. A. Gauthier (Roberval): Mr. Speaker, when I interrupted my remarks on the censure motion presented by the hon. member for Lapointe (Mr. Gregoire), I was wondering who was really responsible for that violation of the rules of the house.

Is it the Deputy Speaker? Is it the Prime Minister? Is it the party in office or all the parties, except ours? Those are so many questions which fill my mind.

What did the Deputy Speaker do or rather did not do on the evening of Friday, March 13, between 8 and 10?

Contrary to what the Secretary of State for External Affairs (Mr. Martin) gave the house to understand, the Deputy Speaker never asked, as is done usually, the unanimous consent of the house.

Yesterday you heard the hon. member for Lapointe give clear evidence that the Deputy Speaker did not ask the unanimous consent of the house, not even once. Some hon. members, whom I congratulate, were even honest enough to say that we were entirely right.

Unless such a procedure be legalized. After I am through with these few remarks, I would ask you, Mr. Speaker, to tell me whether an hon. member can seek the assent of the house in such a case without going through the Chair. For instance, could I introduce a motion without first requesting that the Speaker ask whether there is unanimous consent?

[Mr. Sharp.]

Yet, that is what the Prime Minister (Mr. Pearson) did.

I cannot understand how the Secretary of State for External Affairs can persist in denying obvious facts. Even with the assistance of all the shrewdest lawyers you will never be able to deny patent facts.

There is only one thing to do, Mr. Secretary of State for External Affairs, and that is for you to repent and resolve not to do it again.

Who could have influenced the Deputy Speaker to follow such an irregular procedure? We find that question puzzling and for obvious reasons, because if the Speaker's decision were dictated by a party or a party caucus, it would be high time for serious members, although they may be small in number, to draw the attention of the house to this matter, and that would be really urgent.

I mention those facts to the house because I noticed that each of the irregular steps taken by the Deputy Speaker was dictated by the urgency of the situation. As evidence of that you have the fact that the Secretary of State for External Affairs told us yesterday that a world war may have been prevented.

We feel that instead of getting all excited as the major parties did last Friday, it would have been much better to abide by the standing orders and to take a hard look at the situation. Indeed, that is what other members of the United Nations did.

We are still wondering today whether it was necessary to put aside standing orders just to replace 3,500 British soldiers by 1,500 Canadian troops and whether it was worth while to betray the most noble traditions of the house to ensure that our soldiers would be first to reach Cyprus when other United Nations members have not yet finished the formation of their units.

Was it really necessary to jeopardize the very confidence in the rules of this house in order to make expenditures of $3, $4 or perhaps $5 million when England has ventured $1 million only and the United States $2 million for the purpose of settling, maybe, a little family quarrel?

The Secretary of State for External Affairs mentioned also yesterday, as an excuse, the need to keep one's word. This is indeed the Liberals favourite argument. For the sake of keeping one's word, nuclear arms are accepted; for the sake of keeping one's word, the rules are ignored, our small country with a population of 19 million people at the most is thrown into adventures which countries with 140 million dare not embark upon; for the sake of keeping one's word, everything is jeopardized for war, so that there is nothing left for peaceful endeavours.

The Prime Minister seems to have the idiosyncrasy of always committing this country and then forcing the house to—

Mr. Speaker: Order. I should remind the hon. member that he should only speak on the motion before us today and abstain from discoursing on other subjects.

Mr. Gauthier: Thank you, Mr. Speaker, but it was simply meant as a reply to the arguments which the Secretary of State for External Affairs (Mr. Martin) put forward yesterday.

Those, Mr. Speaker, are the reasons for our objections Friday night, and if standing orders had been observed, we would have been able to submit those facts to hon. members before embarking on expenses which we were unable to meet.

However, the future will tell us who was right. Two days more would certainly not have changed anything as regards the fate of the world, but the principles of this house would have been preserved.

Anyway, according to the latest reports, our soldiers are now over there.

May this be a lesson to the house so that our great statesmen who long for honours, medals and titles may know, once for all, that in peacetime as in wartime, or even in the war for peace: "It is no use running fast, if there is no timely start." Indeed, the surest way is to follow the century old rules of the house.

We hold no grudge against the Deputy Speaker, whom we have in high regard and whom, moreover, we pity for having served as a scapegoat. We are acting in this way to remind the various groups of the house that the rules exist for everybody.

Mr. Speaker, the one who makes the law should submit to the law like everybody else.

When this principle is no longer respected, when this standard is bypassed, when party interests have destroyed this barrier, then there will be anarchy throughout the country.

Once again we do not hold a grudge against anybody, but we shall never allow the law to be scorned to such an extent.

Some hon. Members: Oh, oh.

Mr. Real Caouette (Villeneuve): Mr. Speaker, I hear some oh, oh's on the other side of the house. I wonder, in similar circumstances, if Liberal members had gone through exactly what we ourselves suffered last Friday they would be prepared to say oh, oh in the house, because the prerogatives and rights of certain members, in this instance the members of our group, were completely disregarded and brushed aside by the Deputy Speaker.

I shall say, at this point—

Mr. Lambert: You were not even here.

An hon. Member: Where were you?

Mr. Caouette: Mr. Speaker, Friday afternoon, I objected to giving the Prime Minister (Mr. Pearson) leave to present his resolution with a view to sending troops to Cyprus.

At that time the Prime Minister and the Secretary of State for External Affairs (Mr. Martin) were very well aware of the fact that our group did not accept that haste to bring that resolution before parliament while, 48 hours' before, a regular notice could have been given the house to the effect that such a motion would be introduced.

Now last Friday I had to be absent in the evening to go to Three Rivers. The Secretary of State for External Affairs was aware of that. I wonder what happened during the supper hour, between six and eight o'clock, that the Deputy Speaker, at eight o'clock, decided to let the Prime Minister introduce his resolution, although some members of our group objected to the introduction of that resolution at that time.

That is what the Deputy Speaker said, and I quote from page 911 of *Hansard*:

> The Prime Minister asked leave to present the motion and he is proceeding on that basis.

He is admitting that the Prime Minister had not obtained the unanimous consent of the house. But later on there was a request to put the Chair's ruling to the house, in view of the fact that the Chair had asked for the unanimous consent of the house.

Mr. Speaker, there has been a deplorable violation of the rules of the house.

Of course, the leader of the official opposition admitted during the debate yesterday, that parliamentary procedure had not been quite in order, and he blamed the government and the Prime Minister for introducing this motion with too much haste. I quote here what the Leader of the Opposition said, as recorded on page 1209 of *Hansard*:

> For that reason I think some reference should be made to the motion. After all, as Leader of the Opposition, as the Prime Minister has said on more than one occasion, I am an officer of this house.
>
> All through the years I have been one of those who have strongly stood against the actions of any government which would trample on the rights and privileges of the opposition.

Why did the Leader of the Opposition not stand up, since he admits that he was in the house Friday afternoon and Friday night?

> I took that view not only when in opposition but also when we enjoyed an overwhelming majority in the house. My desire has been at all times to preserve inviolate the rights and privileges of minorities in this chamber. If we should allow action to be taken that is contrary to the privileges and rules of parliament, then indeed

it will not be very long before the rights of private members are lost. I preface what I have to say by these general observations.

But once everything is over the Leader of the Opposition finds that rules have been broken in his presence in the house.

And here he speaks of his love for minorities and for our small number of members; he goes on, as reported on the same page of *Hansard*:

I think the government was responsible for what happened.

The Leader of the Opposition is just as responsible as the government.

Certainly, there was haste.

It is somewhat late to admit it.

Certainly there was a desire on the part of members generally to carry out the responsibility of this nation.

Who are those to whom this nation has expressed the wish that the government introduce with haste a resolution for the shipping of troops overseas or to Cyprus?

When was the Canadian nation consulted? When did the Canadian nation authorize us, ask us to send troops to Cyprus or submit to the government the resolution which the Prime Minister introduced forcibly in the house last Friday evening?

Then the Leader of the Opposition himself goes on to say, as recorded on page 1209 of *Hansard*, and I quote:

He—

The Leader of the Opposition was then referring to the Prime Minister.

He had no leave. No leave had been asked for and no leave had been given.

That is what the Leader of the Opposition said yesterday afternoon, but Friday he let the rules be violated and trampled down right here in this house.

When I say that, I in no way mean to imply that a refractory few should be able to hold up the operations of this house.

Just imagine. There are today minorities and small groups, and they would have fought to safeguard the rights of a member of the House of Commons duly elected by the voters. And he continues:

—I in no way mean to imply that a refractory few should be able to hold up the operations of this house. However, these are the rules. When the rules were brought into effect, parliament was not bifurcated or trifurcated or divided into a multiplicity of opposition groups.

I want the Leader of the Opposition to know that if a member of his political party in this house had been involved, I would have objected in exactly the same way. The Leader of the Opposition contradicted himself glaringly concerning disrespect for the rules.

[Mr. Caouette.]

And the Leader of the Opposition goes on:

I would be the last to fail to rise to defend the right of one member in this house against unfairness. What took place is past. What we are now being asked to do is to place the stigma of responsibility for wrongdoing on the Deputy Speaker. That stand I will not take.

Mr. Speaker, I wish to state clearly that it is not through antipathy that we introduced a motion against the Deputy Speaker, for I have a great respect for my friend the hon. member for Stormont (Mr. Lamoureux), since he has always been up to now completely unprejudiced, but I am inclined to think that last Friday evening, a member of the government, either a minister, the Secretary of State for External Affairs (Mr. Martin) or the Prime Minister (Mr. Pearson) himself has used his influence on the Deputy Speaker to ask him to allow the resolution to be introduced so that it would be ready at 8.02 p.m. The government is to blame for this.

Mr. Speaker, if it is fully intended to have the standing orders complied with, whether by members of the Liberal party or of other groups in the house, it is up to the Speaker or Deputy Speaker to see to it. Now, we are told two days later that a mistake has been made.

I disagree with the allegations of the hon. member for Winnipeg North Centre (Mr. Knowles) who said we had made a mistake, when he did not have the courage to rise in order to plead urgency. This matter seemed so urgent because our troops had to be sent without delay, and that was the reason for introducing this resolution.

Now, it appears that Sweden and Ireland do not have any troops in Cyprus yet, that Canadians are the only ones there, and the Secretary of State for External Affairs is aware of that situation. Then, why such urgency? Was it for restoring peace in Cyprus or was it for the purpose of climbing another step towards a Nobel prize, in the near or the distant future?

Mr. Speaker, we are the first to wish to abide by the rules of the house and we are asking the other members to do the same.

In closing, I want to reassert that we have nothing against the Deputy Speaker, but let it not happen again.

When the government wants to introduce a motion, it should ask for the unanimous consent of the house, and if a member, whatever the party to which he belongs, is against it, the rules should be respected. The rules should be respected, otherwise we will see new disorder similar to what happened last Friday evening.

We do not have a grudge against the Deputy Speaker, but the Liberal members who try to intervene in the debate would be the

first to object if they were sitting in the opposition, they would be the first to condemn that violation of the rules of the house.

Mr. Speaker, we ask that, from now on, the rules be complied with and not only by one group, but by all members of the house.

[*Text*]

Mr. Knowles: Will the hon. member permit a question? The hon. member would like other members of the house to admit the mistakes they have made. Some of us did so yesterday, and we stand by the statements we made. Will the hon. member for Villeneuve also admit that he made a mistake by not being here Friday night, in view of his interest in this matter, and that in fact he violated standing order 5 of this house, one of the rules which he says should be kept?

Mr. Caouette: Mr. Speaker, I wonder whether this is a question or a statement by the hon. member for Winnipeg North Centre. I know the rules, and I know standing order 5. I know that the Secretary of State was aware that that night I had to leave Ottawa to go to Three Rivers, and I said so in French a moment ago. Usually we do not sit on Friday night. The motion came just before six o'clock while I was away, so I apologize for not having been here; but at the same time I say that had I been here I would have voiced my opposition to the presentation of the resolution.

Mr. Knowles: But you broke the rules.

Mr. Speaker: Order. I must advise the hon. member for Lapointe that if he speaks now he will close the debate.

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, since members from all corners of the house seem to be making implicit or explicit general confessions yesterday and since everybody seems to recognize the truth of our statements concerning the events of last Friday, I would ask for unanimous consent of the house to withdraw our motion and to substitute the following motion therefor:

I move, seconded by the hon. member for Villeneuve (Mr. Caouette):

That the procedure followed by the house on Friday evening, March 13, 1964, during consideration of the government's resolution, be referred to the house's committee on procedure and that the latter be asked to examine the matter and make a recommendation.

[*Text*]

Mr. Lambert: Mr. Speaker, with regard to the condition which has been imposed, may I submit to Your Honour and the members of this house that since all the rules of the house have already been referred to the committee, and since this matter concerns the application of rules 41 and 42, the condition imposed by the hon. gentleman is redundant.

Mr. Speaker: I must say at the beginning that if the house cared to give unanimous consent I would have no objection to receiving this amendment. However, my duty as Speaker is to consider one motion at a time, and it strikes me that this second proposition, if I may put it that way, is not at all in accordance with the motion before the house. Short of unanimous consent I must make the ruling that this second motion to amend the first is in my opinion out of order and cannot be accepted at this time. In my humble opinion the house must deal with one motion at a time. We have one motion before the house and we are called upon to accept, reject, or withdraw it.

Mr. Knowles: I wonder whether the hon. member for Lapointe would accept a question. In view of the statement made by the hon. member for Edmonton West, with which I think we will all agree, that all our rules and procedures have been referred to the committee on procedure, and in view of the fact that some of us can give the assurance that this matter will be considered in that committee, will he not ask leave to withdraw his original motion without attaching any conditions to it?

[*Translation*]

Mr. Gregoire: Mr. Speaker, I know perfectly well that the standing orders question has been referred to the committee on procedure, but the motion I have just presented is to the effect that the events which occurred on that evening be referred to that committee on procedure, and not standing orders as a whole.

That is the reason why I shall accept to withdraw the other motion only on condition that this one be agreed to, that is that the procedure followed on that evening be referred to the special committee on procedure—

[*Text*]

Mr. Speaker: I must interrupt the hon. member, who must have heard the ruling to the effect that the second motion by way of amendment was out of order.

[*Translation*]

Mr. Gregoire: Mr. Speaker, I suppose all hon. members knew that the second motion would be declared out of order, and that is why I asked the house to pass it unanimously. Since unanimous consent has not been granted, I wish to say that we will abide by our original motion, and I will explain briefly why we have called the attention of the house to what we consider a typical case.

The majority of hon. members or at least many of them have admitted that a mistake or an irregularity was committed. Consequently, we cannot understand why experts on procedure have asked us to withdraw our non-confidence motion. Since mistakes have been made, why should we be blind to them, why should we relinquish our responsibilities and refuse to determine who is responsible for those mistakes and irregularities?

Mr. Speaker, we do not accept to ignore the breaches of the rules which took place last Friday, and that is why we maintain our resolution.

We would have been willing to ask the committee on procedure to consider what happened Friday evening, but since a vote is desired, we are ready to vote on the motion.

Moreover, I wish to say—

[*Text*]

Mr. Knowles: Will the hon. member permit one more question, and this is my last? Does he not realize that the reason some of us would like the hon. member to consider withdrawing his motion is that we do not feel the Deputy Speaker should have votes cast against him for a mistake which was a mistake of the whole house? Does he not feel that it is, therefore, a reasonable request?

Mr. Caouette: It was not our mistake.

[*Translation*]

Mr. Gregoire: Mr. Speaker, I want to be very specific on this subject. There are some who wish to call this a mistake. Personally, I do not call it a mistake.

We had in this chamber people as conversant with the procedure and the rules of the house as the hon. members for Winnipeg North Centre (Mr. Knowles) and Winnipeg South Centre (Mr. Churchill), as well as the Leader of the Opposition (Mr. Diefenbaker) and the Prime Minister (Mr. Pearson). But, when a mistake succeeds in slipping through all these competent men on procedure, I say there was blinking of the facts somewhere, and that is why I will not call it a mistake. On the contrary, it is indeed a flagrant transgression of the rules that was committed on that evening, and the hon. member for Winnipeg North Centre knows it full well. In fact, as the hon. member for Villeneuve (Mr. Caouette) pointed out, we witnessed on that evening a general agreement to be blind to the infringement of the standing orders of this house.

Mr. Chretien: Blah, blah, blah.

Mr. Gregoire: Mr. Speaker, I hear the argument of the hon. member for St. Maurice-Lafleche (Mr. Chretien) saying blah, blah, blah. It is the most intelligent argument put forward by some members opposite who keep barking all the time.

If you want us to withdraw our motion, give us sound arguments.

Mr. Speaker, I will go further and explain the reason why we are asking for a vote. I am quite astonished to find that English speaking Canadians, and I commend them for it, who are always great upholders of procedure and the standing orders have today become sentimentalists, have, in fact, become French Canadians, and do not take the standing orders too seriously.

Mr. Speaker, we are—

[*Text*]

Mr. Speaker: Order. I think all hon. members will appreciate that the Chair has been extremely lenient in allowing the hon. member to sum up and conclude his argument. We are now discussing the motion, and if the house is ready I am prepared to put the question.

[*Translation*]

Mr. Gregoire: Mr. Speaker, I only need a minute to complete my remarks. We conclude that there were irregularities. We think that, following our interventions that evening—we made seven or eight—hon. members and the Deputy Speaker persisted in their blindness. We feel that our conscience does not permit us to call this a simple error, for it is an obvious violation of the standing orders. That is why we ask for a vote on this motion.

[*Text*]

The house divided on the motion (Mr. Gregoire), which was negatived on the following division:

NAYS

Messrs:

Aiken
Alkenbrack
Armstrong
Asselin (Richmond-Wolfe)
Badanai
Balcer
Baldwin
Barnett
Basford
Batten
Bechard
Beer
Bell
Benidickson
Benson
Berger
Bigg
Blouin
Boulanger
Brown
Byrne
Cadieu (Meadow Lake)
Cadieux (Terrebonne)
Cameron (High Park)
Cameron (Nanaimo-Cowichan-The Islands)
Cantelon
Cantin
Cardiff
Cardin
Caron
Carter
Casselman, Mrs.
Chapdelaine
Chatterton
Chretien
Churchill
Clancy
Coates
Cooper
Cowan
Crossman
Cyr
Davis
Deachman
Deschatelets
Diefenbaker
Dinsdale
Doucett

Douglas
Drury
Dube
Dupuis
Emard
Eudes
Fane
Favreau
Fisher
Fleming (Okanagan-Revelstoke)
Flemming (Victoria-Carleton)
Forbes
Forest
Forgie
Foy
Francis
Frenette
Gelber
Gendron
Godin
Gordon
Grafftey
Granger
Gray
Greene
Groos
Guay
Gundlock
Habel
Hahn
Haidasz
Hales
Harkness
Harley
Hellyer
Herridge
Horner (Acadia)
Horner (The Battlefords)
Howard
Howe (Wellington-Huron)
Jewett, Miss
Jorgenson
Kennedy
Klein
Knowles
Konantz, Mrs.
Korchinski
LaMarsh, Miss
Lamb
Lambert
Lamontagne
Laverdiere
Leblanc
Leboe
Leduc
Lessard (Lake St. John)
Lessard (St. Henry)
Lloyd
Loiselle
Loney
Macaluso
Macdonald
MacEachen
MacEwan
MacInnis
Mackasey
MacLean (Queens)
MacNaught
Macquarrie
MacRae
McBain
McCutcheon
McIlraith
McIntosh
McLean (Charlotte)
McWilliam
Madill
Mandziuk
Marcoux
Martin (Essex East)
Martineau
Mather
Matheson
Matte
Millar
Mitchell
Monteith
Moore
More
Moreau
Morison
Muir (Cape Breton North and Victoria)
Muir (Lisgar)
Mullally
Munro
Nasserden
Nesbitt
Nicholson
Nielsen
Nowlan
Nugent
O'Keefe
Olson
Orlikow
Ormiston
Ouellet
Pascoe
Patterson
Paul
Pearson
Pepin
Pickersgill
Pigeon
Pilon
Prud'homme
Pugh
Rapp
Regan
Rheaume
Ricard
Richard
Rideout
Rinfret
Robichaud
Rock
Rouleau
Roxburgh
Ryan
Rynard
Sauve
Scott
Sharp
Simpson
Skoreyko
Slogan
Smallwood
Smith
Southam
Starr
Stefanson
Stenson
Stewart
Tardif
Teillet
Temple
Thomas
Tremblay
Tucker
Turner
Wahn
Walker
Watson (Assiniboia)
Watson (Chateauguay-Huntingdon-Laprairie)
Webb
Webster
Whelan
Winch
Winkler—206.

YEAS

Messrs:

Beaule
Boutin
Caouette
Gauthier
Gregoire
Laprise
Latulippe
Perron
Plourde
Rondeau—10.

BRITISH NORTH AMERICA ACT

AMENDMENTS RESPECTING SENATE REPRESENTATION FROM QUEBEC

Mr. Real Caouette (Villeneuve) moved for leave to introduce Bill No. C-76, to amend the British North America Acts, 1867 to 1960, with respect to representation of the provinces in the Senate and qualifications of senators.

Some hon. Members: Explain.

[*Translation*]

Mr. Caouette: Mr. Speaker, this bill seeks primarily to make the Senate more Canadian, especially concerning the province of Quebec which, until now, was not governed by the same regulations as the other Canadian provinces. As you can see in the explanatory notes, it is proposed mainly to replace section 23 which states that a person must:

be over the age of 30, be a British subject, etc.

by the following:

1. Be over 30 years of age;
2. Be a Canadian citizen;
3. Reside in the province which the senator represents.

I fail to see why the province of Quebec should be treated differently from the other provinces as far as the Senate is concerned.

The purpose of this bill is to give Quebec exactly the same rights and prerogatives as the other Canadian provinces.

[*Text*]

Motion agreed to and bill read the first time.

EXTERNAL AFFAIRS

PROPOSED CHANGE IN NAME OF DEPARTMENT

Mr. Guy Marcoux (Quebec-Montmorency) moved for leave to introduce Bill No. C-77, respecting the department of foreign affairs.

Some hon. Members: Explain.

[*Translation*]

Mr. Marcoux: Mr. Speaker, this bill simply seeks to change the name of the Department

of External Affairs by substituting the designation "department of foreign affairs" for that of "external affairs".

[*Text*]

Motion agreed to and bill read the first time.

LABOUR RELATIONS

HAL BANKS—INQUIRIES CONCERNING REMOVAL FROM OFFICE

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I direct a couple of questions to the Minister of Labour and ask whether he would take the house into his confidence and remove the veil of mystery regarding the suddenness with which Hal Banks was removed from office, having regard to the report dated March 10 in which the trustees stated that his removal was to be dealt with by "persons and processes within the trade union movement itself".

Having waited 22 weeks, what happened during a period of eight days that brought about such a complete change in the attitude of the board of trustees? Was it because wiretapping was brought home to Hal Banks and those connected with him? Was it because of a shortage in the accounts of the union welfare fund? These are questions to which Canadians would like answers. Why would the parliament of Canada secure certain information in a report one day—

Some hon. Members: Order.

Mr. Diefenbaker: —and the next day witness a sudden turnabout on the part of the trustees?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, I have not addressed to the board of trustees any of these specific questions that have been raised by the right hon. gentleman, but it is my impression that the decision of the trustees to take this course of action was a result of long consideration—

Mr. Diefenbaker: Twenty two weeks.

Mr. MacEachen: —of the affairs of the seafarers international union and was not based on any particular incident of recent date. As was pointed out by the trustees in their report, they foresaw the removal of Mr. Banks in the absence of union action to remove him or if, in their judgment, his continued presence as the head of the union, or any person as an officer of the union, was prejudicial to the union itself or the welfare of Canada as a whole. I would think that the action taken yesterday by the trustees was fully consistent with the statement of policy contained in their report tabled in the house the previous day.

[Mr. Marcoux.]

Mr. Diefenbaker: Mr. Speaker, that consistency is not very apparent, but I am not here to make an argument. I ask the minister also whether Mr. Hall, the head of the union from New York, is in Montreal today along with members of his executive, and are they meeting with the board of trustees?

Mr. MacEachen: Mr. Speaker, on this point I will tell the Leader of the Opposition that I received a wire at 1.20 this afternoon from Mr. Paul Hall, president of the seafarers international union of North America, from 95 Lakeshore, Pointe Claire, Montreal, province of Quebec, being a copy of the telegram which he addressed to the trustees protesting their action and asking the trustees to meet with him this afternoon at the headquarters of the S.I.U. I got this telegram just before I came into the house and have had no opportunity to find out from the trustees whether any meeting with Mr. Hall is contemplated or whether any discussions have been arranged.

Mr. Diefenbaker: Would the hon. gentleman read the complaint portion of the telegram?

Mr. MacEachen: With the leave of the house, Mr. Speaker, I would be happy to read this telegram, which is addressed to the Minister of Labour:

> The following wire sent today to the board of trustees of the maritime transportation unions: the undersigned president of the seafarers international union of North America—A.F.L.-C.I.O. protests:
>
> 1. Arbitrary action in removing Hal C. Banks from the presidency of the seafarers international union of Canada depriving him of the right to a fair hearing in accordance with the principles of fundamental justice for the determination of his rights and obligations.
>
> 2. Unilateral appointment as president of our Canadian affiliate an employee of the government trustees who is not nor has ever been a member of any affiliated organization of the S.I.U.N.A.-A.F.L.-C.I.O
>
> 3. Confiscation of hundreds of thousands of dollars of property and assets of this international union.
>
> 4. Ejection of international union officer from the premises of the international union.
>
> 5. Unnecessary utilization of police force in occupying international union premises including harassment and surveillance of staff by police forces.
>
> 6. Precipitous action notwithstanding pending court action questioning the constitutionality of the maritime transportation unions trustee act.
>
> Please be advised that the undersigned as international president of the seafarers international union of North America A.F.L.-C.I.O. shall present himself at the premises of the international union, 634 St. James st. west, Montreal, P.Q.—

—an odd address—

—on Thursday March 19, 1964 at 2 p.m. and suggest that such time and place would be ap-

propriate to discuss with you the matters outlined above.

This telegram was addressed to the trustees and sent by Mr. Hall.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, a supplementary question. What are the minister's views on the contents of this telegram sent by Mr. Paul Hall?

Mr. MacEachen: Mr. Speaker, this is an interesting telegram.

EXTERNAL AFFAIRS

CYPRUS—TERMS OF REFERENCE OF PEACE KEEPING FORCE

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs. I wonder whether he can give the house a report on the role which has been established for the Canadian contingent of the United Nations peace keeping force in Cyprus; whether he can tell the house what guide lines or terms of reference have been agreed to by the United Nations; whether it is true that it has been agreed that Canadian troops will not be allowed to disarm civilians carrying arms; and whether any other stipulations in the terms of reference have yet been agreed to?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, the function of the United Nations force in Cyprus, in accordance with the resolution of the security council of March 4, is to use its best efforts to prevent a recurrence of fighting and as necessary to contribute to the restoration and maintenance of law and order and a return to normal conditions. The role of the Canadian contingent, and of the forces contributed by other countries, is to undertake such duties as may be ordered by the commander of the force to carry out this mission.

Mr. Douglas: A supplementary question. The minister has missed part of my question. Is it correct that Canadian troops are not permitted to disarm civilians carrying weapons in Cyprus?

Mr. Martin (Essex East): Mr. Speaker, the disarming of civilians carrying weapons in either of the communities will not, according to the guide lines, be a function of the United Nations force.

Mr. Diefenbaker: That is too bad.

Mr. Douglas: May I ask whether the Secretary of State for External Affairs has agreed with this stipulation on Canada's behalf?

Mr. Martin (Essex East): Yes, Mr. Speaker. This does not mean, however, that the forces will not be allowed, as would be the situation in the case of any police force, to defend themselves.

Mr. W. B. Nesbitt (Oxford): May I ask a supplementary question. Have any precise directives yet been given to the Canadian forces in Cyprus by the U.N. command?

Mr. Martin (Essex East): The acting commander is in charge of the United Nations international force. The instructions which will be given to the forces will go from him and from the commander, General Gyani, who takes up his responsibilities on the 21st of this month.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I should like to ask the minister whether he does not feel that the denial to the Canadian forces of their right to disarm guerrillas in fact emasculates the Canadian force and places the force in a position of great danger.

Mr. Martin (Essex East): Mr. Speaker, I do not agree with the right hon. gentleman. This was one of the questions which were the subject of considerable discussion prior to the decision of the government to answer the call of the secretary general. It was one of the subjects which I discussed with him a week ago tonight in his office at the United Nations. From all the information available to the secretary general and to others, it seemed in the circumstances that one of the best ways to preserve order was to leave to the government and to the communities concerned these responsibilities at this stage. I believe that if the force can establish peace and order, as thus far it seems to have been able to do, this would be a better arrangement. The secretary general has indicated that from time to time the situation will have to be re-examined in the light of events.

Mr. Nesbitt: A supplementary question to the Secretary of State for External Affairs. As the Secretary of State for External Affairs has indicated that the United Nations commander General Gyani has not yet taken over, under what precise directives are the Canadian forces there now acting?

Mr. Martin (Essex East): They are acting, Mr. Speaker, under the instructions being given to them by the secretary general. He has provided, in the guide lines, which have been made public, the following: First of all, he has stated to the security council that the U.N. force in Cyprus is in being; second, that troops of the Canadian contingent have been taken under command of the acting

commander, Major General C.F. Paiva Chaves; and third, that the force will be established operationally when sufficient troops are available to it in Cyprus to make it possible for it to discharge its functions effectively.

While I am on my feet, Mr. Speaker, perhaps this would be an opportune moment to give the house a message which was sent to our ambassador by the secretary general of the United Nations, U Thant. He wrote as follows:

My Dear Ambassador,

I would be grateful if you would convey to your government my warm appreciation of its favourable response to my appeal for a contingent for the United Nations peace keeping force in Cyprus. I know that the decision to provide a contingent in the circumstances of the Cyprus problem cannot have been an easy one to take and favourable action is all the more valued for that reason. The fine support of your government at this critical time has been a vital factor in the United Nations ability to meet its responsibility for trying to bring peace to the island of Cyprus. Already the knowledge that your government is making troops available is having a steadying influence on the situation and I am sure that the early arrival of those troops will make a far more positive contribution to the peace effort there. I look forward to close co-operation with you and your government on this question in the coming weeks.

Yours sincerely,
U Thant

Hon. George C. Nowlan (Digby-Annapolis-Kings): Mr. Speaker, the minister referred to the force being operational. I wonder how he would reconcile "operational" with the restrictions which are being placed upon it, as we understand the matter; and would he not agree that it would appear to many of us who have had experience in this field that because of these restrictions the situation of our troops there is made absolutely hopeless?

Mr. Martin (Essex East): Mr. Speaker, I regret the statement of the hon. gentleman. I am sure that on reflection he will share my regret. This is a very difficult situation involving deep tensions and hostilities between two communities, in which there are a number of armed citizens who have been contributing to the tension and bloodshed in the island. The forces that will go in there under the command of General Gyani will be armed. They are, however, not in there as occupational troops. They are there for the purpose of preserving order, and it seems to us that troops that are sent to the island will want to emphasize that they are there primarily for that purpose and not to act in a way that could add to their very difficult assignment. They will be armed and they will have every right to take those precautions in advance which this house properly expects them to take. The situation in the island continues to be one of calm and this has been contributed to undoubtedly—

Mr. Churchill: There was an outbreak yesterday.

Mr. Martin (Essex East): —by the decision of the United Nations to send in a police force. I am not going to say anything at this moment which, in the face of the situation in the island, will make it difficult for the force to carry out its obligation, an experience which Canadians have gained in many other areas where the terms of reference in general principles were the same as in this instance.

Mr. Nowlan: Mr. Speaker, this house has learned from long experience that, the more difficult the position in which the minister finds himself, the longer he takes to reply. We take that for granted. I appreciate the problem he has raised. No one questions the difficulty of the situation but I ask him how he defines "self defence"? Can you only defend yourself after you have been killed?

Mr. Martin (Essex East): I would say to my hon. friend that you certainly do not define it by using the words my hon. friend used, by saying that the situation confronting the Canadian contingent was a hopeless one. It is not a hopeless one.

Mr. Pearson: Of course not.

Mr. Martin (Essex East): It is not hopeless because the United Nations forces are contributing to a situation that is getting better and better. My hon. friend asked a specific question. He knows the answer. Our forces are armed and they will take all precautions to defend themselves, but they are not going to conduct themselves in advance in a manner that will contribute to the lack of harmony in the island.

Mr. Speaker: I have quite a line-up. I should like to start first with the hon. member for Edmonton West.

Hon. Marcel Lambert (Edmonton West): While the Canadian troops have a right to defend themselves against attack, would the minister not think that if they are not empowered to disarm, then the only alternative is to kill all those who would oppose them with arms?

An hon. Member: Or to be killed.

Mr. Martin (Essex East): I am not going to use language that is going to add to the problem of the United Nations peace force.

An hon. Member: You do not know the answer.

Mr. Nesbitt: Mr. Speaker, I have two supplementaries for the minister. First of all, I ask him again, do the Canadian forces

in Cyprus at present have any specific instructions or precise directives as to what they are to do? From what the minister has indicated they must have, and I should like to know what they are. Second, has the minister considered requesting the secretary general to set up an advisory committee, as was done in the case of the problem in the Congo, to advise the secretary general how to carry out the terms of the United Nations resolution and to give directives to the United Nations command?

Mr. Martin (Essex East): I have already answered the first part of my hon. friend's question. He may not be satisfied with the answer, but it is the answer which I have given. With regard to the question of an advisory committee, undoubtedly my hon. friend has in mind the experience in the Congo. This matter was the subject of considerable discussion between the secretary general and those who spoke for Canada. At this stage the secretary general does not propose to institutionalize the consultative arrangements, but I may assure my hon. friend that there are good reasons for the position he takes. I did not agree with the position he took last week, but after talking to him I appreciate the reasons and I am satisfied that at the present time they are good reasons. I may assure my hon. friend that Canada will be fully consulted.

Hon. Paul Martineau (Pontiac-Temiscamingue): Another supplementary question, Mr. Speaker. How can the minister say the situation is getting better and better when a news dispatch today states that heavy fighting has again broken out and that there are casualties?

Mr. Martin (Essex East): It is true that today we were told by the press that some fighting had broken out in one particular area between the two communities. This situation has been going on for some time; but since the announcement by the secretary general that he had established a police force the situation has become calmer. I was told by the ambassador of Cyprus to the United Nations, who visited Ottawa this morning, that it was correct to say that as a result of the establishment of the force, a period of tranquillity had set in, and he hoped and believed that this would continue to be the situation. No one can guarantee this, but I am sure that the Canadians in the United Nations force and the force itself will do everything they humanly can to do what they have been sent there to do in the name of the United Nations, that is, seek to preserve order.

Mr. Martineau: Mr. Speaker, I should like to know if the minister can seriously describe as a condition of tranquillity a situation where people are being killed and murdered?

Mr. Speaker: I do not think the minister can possibly answer that question.

Hon. Leon Balcer (Three Rivers): Mr. Speaker, I should like to ask the minister if in his talk with the secretary general he made representations to the secretary general toward the securing of a firm undertaking on the part of Archbishop Makarios that all arms smuggling into Cyprus will be stopped immediately and, if not, as to the possibility of the police force being empowered to stop the entry of any more arms into Cyprus?

Mr. Martin (Essex East): The secretary general has assured the Canadian government that the government of Cyprus and the two communities have given him every assurance of full co-operation with the mission entrusted to the United Nations peace keeping force.

Mr. Douglas: A supplementary question, Mr. Speaker. I have no desire to make the minister's task more difficult in this critical situation. I am sure he also appreciates the fact, however, that members of parliament, having committed troops to Cyprus, have a responsibility to see that they are given an adequate opportunity to protect themselves and to discharge their responsibilities. In view of the fact that it is difficult to see how a police force can act in a civil war unless it has the capacity to disarm guerrillas, I should like to ask the minister what is the basic objection to allowing the international police force to disarm guerrillas? Who takes this objection? Will the minister urge upon the secretary general of the United Nations the need for giving this authority to the international police force, not just the Canadian contingent but the entire international police force, in the event it should become necessary to use it?

Mr. Martin (Essex East): I am sure the hon. gentleman does not propose to ask any question that would add to the problems that face the force.

An hon. Member: He said that.

Mr. Martin (Essex East): I know he did, and I am assuring him that I believe that is the attitude of the hon. gentleman. That is why I am saying it. The course in this regard is not dissimilar to the powers given to the United Nations emergency force now operating in the Gaza strip or the United Nations peace keeping force in the Congo. The secretary general will shortly, we hope, be appointing a mediator whose responsibility it will be

to mediate the dispute between the two communities; after the most careful consideration it is thought by all concerned that the responsibility for disarming should be left with the authorities in Cyprus at this stage.

The United Nations force is not in there as the authority. It is not in there, as I said a moment ago, as an occupational force. It is in there to seek to use, in this particular situation, whatever means are open for the best possible preservation of order. One could say that the force would have other powers; some of those powers I do not believe it is in the interest of the assignment to detail completely at this time. I may assure my hon. friend that the problem which he raises, as well as others which were implied in some of the questions today, were considered and will be part of the terms of reference for the forces in the difficult assignment that they have.

[*Later:*]

Mr. G. W. Baldwin (Peace River): I had a supplementary question for the Secretary of State for External Affairs. Is it correct, as reported, that a 14 point directive was issued by the secretary general covering the operations of the peace keeping force on Cyprus? If so, is the minister able to give the house the details of it, and was Canada consulted before the 14 point directive was issued?

Mr. Martin (Essex East): As I have already indicated, there was the fullest discussion with regard to the terms of reference which have been given by the secretary general for the use of the peace keeping force. As to whether or not full details can be given, I will give consideration to that and deal with it tomorrow.

CANADIAN FLAG

PAMPHLET WITH RED ENSIGN PREPARED BY QUEEN'S PRINTER

On the orders of the day:

[*Translation*]

Mr. Real Caouette (Villeneuve): Mr. Speaker, I wish to put a question to the Prime Minister. I also make it a question of privilege.

This morning we received in the mail a pamphlet showing the Canadian red ensign, which was undoubtedly published by the printing bureau, since it bears the signature of Mr. Roger Duhamel, the queen's printer. That pamphlet also says:

> At present Canada's distinctive flag is the Red Ensign bearing our country's coat of arms in the fly.

Then the story of that flag is given.

Consequently, here is my question. Do the Prime Minister and his government agree that this is Canada's distinctive flag? Moreover, can the Prime Minister tell the house under what authority the queen's printer sent out the literature which was received this morning?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): So far as the question of privilege is concerned, Mr. Speaker, I leave that in your hands. I have no desire or right to comment on it, if it is a question of privilege.

So far as the first question is concerned, the flag to which my hon. friend referred has official status as established by order in council in 1945. So far as the second question is concerned, I do not know the circumstances surrounding the issuance of this leaflet, but I will be glad to look into it.

AGRICULTURE

INQUIRY AS TO RE-ESTABLISHMENT OF MILK SUBSIDY

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. Does he intend to re-establish the payment to dairy producers of a subsidy in the amount of 25 cents per 100 pounds of milk as existed previously?

[*Text*]

Mr. B. S. Beer (Parliamentary Secretary to Minister of Agriculture): I wish to thank the hon. member for his question, and I will take it as notice and bring it to the attention of the minister.

[*Translation*]

Mr. Pigeon: Mr. Speaker, I raise a point of order. The hon. members on this side of the house wish to get information from the Minister of Agriculture and, to our regret, he is not here; in fact, he is always absent. Now, the Minister of Agriculture should be in the house to answer the questions that are directed to him by opposition members.

[*Text*]

Mr. Speaker: Order, please; I regret that I do not see any point of order.

[*Translation*]

Mr. Pigeon: Mr. Speaker, on a question of privilege. I am of the opinion that the continuous absence of the Minister of Agriculture is an insult to opposition members—

[*Text*]

Mr. Speaker: The remarks of the hon. member are more or less identical with the

remarks he made a moment ago. There is no question of privilege. If the minister is not here at the moment, I presume he must have an adequate reason for not being here.

[*Translation*]

Mr. Pigeon: Mr. Speaker, I wish to ask a supplementary question of the Prime Minister. When does he intend to announce the resignation of the Hon. Harry W. Hays, who cannot get along with the Minister of Forestry (Mr. Sauve)?

[*Text*]

An hon. Member: The same old bird.

Mr. Beer: I am sure it would not be the wish of the Minister of Agriculture to bring about a mass exodus of members opposite. The minister is in western Canada on an important agricultural mission.

[*Translation*]

Mr. Pigeon: Mr. Speaker, on a point of order. I have directed a question to the right hon. Prime Minister of Canada; I have asked him whether he intended to announce shortly the resignation of the Minister of Agriculture, since he is unable to get along with the Minister of Forestry.

[*Text*]

EDUCATION

LOANS TO STUDENTS—REPORTED REMARKS OF PARLIAMENTARY SECRETARY

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): This habit of parliamentary secretaries answering in the absence of ministers impels me to ask the Prime Minister whether or not his attention has been directed to a statement made by the parliamentary secretary to the Minister of Trade and Commerce as reported in *Le Devoir*:

[*Translation*]

I object to the students' loan project.

[*Text*]

In other words, the parliamentary secretary declares himself against the loans system for students. Is it appropriate that parliamentary secretaries should be declaring their opposition to policies enunciated by the government?

Right Hon. L. B. Pearson (Prime Minister): I shall be glad to look into the alleged statement made by my hon. friend the parliamentary secretary.

[*Translation*]

Mr. Remi Paul (Berthier-Maskinonge-Delanaudiere): Mr. Speaker, I should like to direct a supplementary question to the right hon. Prime Minister, following the answer he gave to the right hon. Leader of the Opposition.

Has the Prime Minister asked the Minister of Justice to consider the legal aspect of the proposed legislation in the light of the provisions of the Canadian constitution, and does he not believe that this legislation, bearing as it does on education, falls under the exclusive jurisdiction of the provinces?

[*Text*]

Mr. Pearson: We do not take legislative action unless we have satisfied ourselves about the constitutionality of it.

Hon. Paul Martineau (Pontiac-Temiscamingue): I wonder if the Prime Minister, when he studies the declaration made by his parliamentary secretary, will refer to the book by Herbert Morrison, a noted British parliamentarian, which states that the doctrine of collective responsibility extends to all parliamentary secretaries, and if any were to publicly proclaim disagreement with the government his resignation would almost certainly be required.

Mr. Pearson: Mr. Speaker, I remember reading that book in connection with resignations from the recent government.

NATIONAL DEFENCE

INQUIRY AS TO PRESENTATION OF WHITE PAPER

On the orders of the day:

[*Translation*]

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I wish to direct a question to the Minister of National Defence. Since he understands English better, I will do it in that language.

[*Text*]

Since the variations or interpretations of the word "soon" are rather limited, perhaps the minister could advise the house when the white paper on defence will come out.

Hon. Paul Hellyer (Minister of National Defence): Soon, Mr. Speaker.

BRIDGES

THREE RIVERS, QUE.—ACTION FOLLOWING LEA REPORT

On the orders of the day:

[*Translation*]

Mr. Jean-Paul Matte (Champlain): Mr. Speaker, I wish to ask the Minister of Transport a question.

Can the minister tell the house whether there has been any development following the submission of the Lea report concerning the building of a bridge at Three Rivers?

[*Text*]

Hon. J. W. Pickersgill (Minister of Transport): Yes, Mr. Speaker, I was able to inform the premier of Quebec just before we came into the house, about two hours ago, that Mr. Lea had made a verbal report yesterday in which he indicated that although there were some difficulties which might be encountered as a result of the construction of this bridge, there did not seem to be any adequate reason why it should not be proceeded with or the contract should not be let.

Perhaps, sir, if I might be permitted, I should like to express appreciation to the government of Quebec and the bridge company for holding off the letting of the contract until there was an opportunity to make an investigation into this important matter.

Mr. Donald MacInnis (Cape Breton South): I hope the Minister of Transport is not going to make use of the snide remark he made to the effect that two hours have elapsed since we came into the house, and at a later stage imply that this was all the question period.

Mr. Speaker: Order. I do not think it is necessary to comment.

TRADE

REPORTED CONTRADICTORY STATEMENTS BY MINISTERS

On the orders of the day:

Mr. Eric A. Winkler (Grey-Bruce): Mr. Speaker, I have a question for the Minister of Trade and Commerce. The minister is reported in this morning's *Globe and Mail* to have said at a meeting in Hamilton:

> A rigid stand to protect Canadian manufacturers at the forthcoming round of trade negotiations would be unwise and difficult to maintain.

How does the minister reconcile this with the assurance given by the Minister of Finance to secondary manufacturers in his budget speech, and referred to in the Toronto *Globe and Mail* of Wednesday, March 18?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, the Minister of Finance and I on these matters see eye to eye.

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address a question to the Prime Minister. My question is based on the fact that a book is now on sale on newsstands in Canada entitled "The Pearson Phenomenon," and more accurately entitled in the United States "Pearson of Canada," written by Mr. John R. Beal, a *Time* magazine representative in Ottawa, Canada. Would the Prime Minister inform the house whether there is any relationship between the appearance of this book at this time and the appearance on the order paper of legislation dealing with certain periodical publications?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, although of course this question is out of order I can assure my hon. friend that there is no relationship whatever, except in his suspicious mind.

TRANS-CANADA AIR LINES

SUGGESTED REASON FOR FAILURE TO PURCHASE CARAVELLE AIRCRAFT

On the orders of the day:

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I should like to direct a question to the Minister of Transport. My question is based on an article published in the Montreal *Star* of Tuesday, March 17. According to that article Mr. Claude Dessureault, public relations director for Canadian Industries Limited, stated:

[*Text*]

> Mr. Dessureault claimed that in the recent dispute involving Trans-Canada Air Lines and the choice of a medium range jet aircraft, France's Caravelle lost because—

Mr. Knowles: Mr. Speaker, I rise—

Mr. Gregoire:

> —all the plans and data submitted were in French.

Mr. Knowles: Mr. Speaker, I rise on a point of order. I realize it is a point of order that perhaps I could have raised a dozen times today. When are we going to apply the rule that in asking questions it is not in order to read material and give information? I feel it is appropriate to raise this now, since we have been asked from the far corner to obey the rules of the house.

Some hon. Members: Hear, hear.

[*Translation*]

Mr. Gregoire: Mr. Speaker, I shall willingly conform to the rules, even though I am not as familiar with them as the hon. member for Winnipeg North Centre (Mr. Knowles). If I sometimes fail to abide by the rules it is because I do not know them very well.

Mr. Speaker, I should like to direct a question to the Minister of Transport.

Could he confirm whether the submission from Société Sud-Aviation concerning the

building of Caravelle aircraft in Canada was turned down because plans had been drawn up in French only?

[*Text*]

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, notwithstanding the fact that the rules were invoked in this particular case, I think perhaps the hon. member for Winnipeg North Centre might have invoked them in the case of those who more frequently ask questions which are out of order. I propose today to reply that while I have no knowledge on this matter, not having inquired of Trans-Canada Air Lines and not having had anything whatever to do with the transaction myself, I simply do not believe there is the slightest vestige of truth in that story. I am perfectly sure it would make absolutely no difference to the management of T.C.A. whether any submission was made in English or in French, because it would receive the same full, complete and equal attention.

[*Translation*]

Mr. Gregoire: Mr. Speaker, I should like to ask a supplementary question—

[*Text*]

Mr. Speaker: Order, please. The original question was out of order for at least three reasons.

[*Translation*]

Mr. Gregoire: Mr. Speaker, on a supplementary question.

[*Text*]

Mr. Speaker: I am sorry; I have given a ruling. There is no urgency in the question—even if it were a question. To me it was a statement.

[*Translation*]

Mr. Gregoire: Mr. Speaker, then I make it a question of privilege.

I rise on a question of privilege, Mr. Speaker. In view of what the Minister of Transport (Mr. Pickersgill) has just stated to us so categorically, I believe that it is our privilege to ask him at least to make an inquiry on that matter before making a flat statement, as he just did.

[*Text*]

Mr. Pickersgill: Notwithstanding the fact that it is against the rules to ask whether statements in the press are true or not, in this particular case I will inquire and send a reply to the hon. gentleman; but I do not think we should take up the time of the house with it.

Inquiries of the Ministry

FISHERIES

CONSERVATION MEASURES TO PREVENT KILLING OF SEALS

On the orders of the day:

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, I have a question for the Minister of Fisheries. In view of the heavy slaughter of seals taking place in the gulf of St. Lawrence, as reported in the Montreal *Gazette*, could the minister indicate—

[*Translation*]

Mr. Gregoire: Mr. Speaker, on a point of order.

[*Text*]

Mr. Speaker: Order.

[*Translation*]

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

An hon. Member: Do learn the standing orders.

Mr. Gregoire: According to the standing orders, one should not take press reports as a basis—

[*Text*]

Mr. Speaker: Order, please. I do not see how there can be a point of order on a question which has not even been stated. The hon. member for Brandon-Souris.

Mr. Dinsdale: Could the minister indicate what steps are being taken to deal with this critical conservation problem?

Hon. H. J. Robichaud (Minister of Fisheries): Mr. Speaker, as I have mentioned before in the house, this is a problem which has international repercussions. The matter has been dealt with as far as our jurisdiction would permit us to go.

We have established regulations, and this matter will be brought up at the ICNAF meeting next summer where we expect to have the co-operation of the different countries involved in the hunting of seals in north Atlantic waters.

Mr. Dinsdale: As a supplementary question, has any action been taken by the international commission on the northwest Atlantic fisheries to deal with this matter, as was recommended by Canada in 1961?

Mr. Robichaud: Mr. Speaker, preliminary discussions took place at their annual meeting held in Halifax last year and all the countries were instructed to prepare to discuss this matter fully at the next meeting to be held at Hamburg next summer. We hope to be able to come up with satisfactory regulations.

Inquiries of the Ministry

Mr. T. C. Douglas (Burnaby-Coquitlam): As a supplementary question may I ask the Minister of Fisheries, in view of the fact that this alleged butchering of baby seals is going on daily in the gulf of St. Lawrence and off the Magdalen islands, does this not come within the jurisdiction of his department and why are the regulations not being enforced?

Mr. Robichaud: Mr. Speaker, the existing regulations are being enforced. My department has close to 100 officers and men now supervising the operation as much as is possible. As I said before, this comes under international regulations and we have no jurisdiction to go further than we do at the present time.

Mr. Douglas: As a further supplementary question, has the minister seen the film shot by two Montreal cameramen of the slaughter which is going on off the Magdalen islands?

Mr. Robichaud: Mr. Speaker, I have not seen the film, but just about an hour ago I asked my deputy minister to obtain a copy so that we could see it and see what we can do about it.

Hon. J. A. MacLean (Queens): As a supplementary question, is the minister in a position to assure the house that after May, 1964, the whole of the gulf of St. Lawrence will be under Canadian jurisdiction entirely and will no longer be an international matter?

Mr. Robichaud: A declaration to this effect has already been made in the house by the right hon. Prime Minister.

LABOUR CONDITIONS

PROSPECTIVE LAY-OFFS AT POINT EDWARD NAVAL BASE

On the orders of the day:

Mr. Robert Muir (Cape Breton North and Victoria): Mr. Speaker, I desire to address a question to the Minister of Labour. Did he, along with the Minister of National Defence and the Associate Minister of National Defence meet on Tuesday evening with a delegation from the Sydney board of trade who, I understand, made representations against the closing of the Point Edward naval base? Could the hon. gentleman advise the house as to the results of these representations and any others which he has received urging that the base be kept in operation, or can he at this time give us a full report on this meeting?

Hon. A. J. MacEachen (Minister of Labour): We have had a meeting with representatives of the board of trade and we have discussed the situation surrounding the decision to close the Point Edward base. We also discussed the question of possible alternative employment for persons to be affected.

Mr. Donald MacInnis (Cape Breton South): Would the Minister of Labour indicate to the house just what those plans to provide alternative employment are, especially as they relate to men over 40 and 50 years of age who are working at the base?

While answering that question he might also indicate why the government still insists, when advertising positions, that the age of an applicant be given.

Mr. Speaker: I suggest the minister take that question as notice. It seems to me that it has been asked already, not today but in the last two or three weeks.

Mr. MacInnis: On a point of order. The question has been asked on a number of occasions but answers have never been provided, though this is a most urgent matter in Cape Breton.

Mr. Muir (Cape Breton North and Victoria): On a question of privilege; this is an extremely important question, yet the minister continues to ignore it and slough it off. Why do we not get some answers?

Mr. Speaker: Order. There is no doubt about the importance of the question. All questions, I assume have a certain importance. But some are more important than others, and some are more urgent than others. This is hardly the type of question to which an answer could be expected on the spur of the moment.

DOMINION-PROVINCIAL CONFERENCE

CONSIDERATION OF STUDENT LOANS AND CANADA PENSION PLAN

On the orders of the day:

Mr. Arnold Webster (Vancouver-Kingsway): My question is addressed to the Prime Minister. Is it the intention of the government, at the federal-provincial conference this month, to consider the proposal of the Canadian union of students that the provinces be permitted to make separate agreements with the federal government as to the method of implementation of student loans, in order that the plan might be started in 1964?

Right Hon. L. B. Pearson (Prime Minister): As the hon. gentleman knows, this matter is being considered at the forthcoming conference and the representations made by the organization to which he refers, and which I have received, will certainly be borne in mind.

Mr. G. H. Aiken (Parry Sound-Muskoka): Now that Bill No. C-75 has been introduced,

will the question of provincial participation in the Canada pension plan be discussed at the conference which is to begin on March 31?

Mr. Pearson: The pension plan is one of the subjects for discussion and consideration.

[*Translation*]

Mr. Pierre-Andre Boutin (Dorchester): Mr. Speaker, I should like to direct a question to the Minister without Portfolio (Mr. Dupuis).

Does the minister intend to request the resignation of the hon. member for Drummond-Arthabaska (Mr. Pepin) who dared express ideas in opposition to those of the minister and his government with respect to interest-free loans for students?

[*Text*]

INDIAN AFFAIRS

SASKATCHEWAN—TRANSFER OF HOSPITALS TO PROVINCIAL JURISDICTION

On the orders of the day:

Mr. J. N. Ormiston (Melville): I should like to direct a question to the Minister of National Health and Welfare. In view of the fact that the government plans to transfer 13 D.V.A. hospitals to the provinces, what progress has been made in negotiations with the government of Saskatchewan to transfer federally-owned and operated hospitals for Indians to provincial jurisdiction?

Mr. Speaker: May I suggest that this question be put on the order paper.

CROWN ASSETS

TRANSFER OF FACILITIES OF R.C.A.F. STATION, EDGAR, ONT.

On the orders of the day:

Mr. J. E. Madill (Dufferin-Simcoe): My question is directed to the Minister of Industry. Has the government offered to transfer the land, buildings and maintenance equipment at the R.C.A.F. station at Edgar, Ontario, to the county of Simcoe, or to any organization, for $1 or for a nominal consideration of a like amount?

Hon. C. M. Drury (Minister of Industry): No plans have yet been formulated for the future use of the radar station, about to be disused, at Edgar. However, the government is fully alive to the importance of making the best possible use of these national defence facilities and is exploring a considerable number of proposals to this end.

INDUSTRY

REPORTED INTENTION TO MOVE PLANTS FROM QUEBEC TO ONTARIO

On the orders of the day:

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I should like to direct a question to the Minister of Industry and Minister of Defence Production.

Can the minister tell us whether he has made inquiries to know the reason for the possible moving of many industries out of Quebec. What steps does his department intend to take to check this coming exodus to Ontario of many Quebec industries, according to what the acting manager of the association for the development of eastern Ontario indicated at a meeting of the municipal council in Pembroke this week?

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, I am not aware of this and I will consider the question as notice.

[*Text*]

INCOME TAX

INQUIRY AS TO DEDUCTIONS FOR PART TIME STUDENTS

On the orders of the day:

Mr. Joseph Slogan (Springfield): I wish to direct a question to the Minister of Finance. In view of the announcement by the hon. gentleman that part time students will be allowed income tax deductions in respect of tuition fees, would the minister say whether such deductions would include tuition fees incurred by professional or technical graduates attending refresher and postgraduate courses? Second, is this exemption restricted to tuition fees or are all costs, such as the cost of books, instruments, travelling and living expenses, to be included?

Mr. Speaker: This surely is a detailed question requiring a careful answer; therefore it should be placed on the order paper.

PENSIONS

CANADA PLAN—REPORTED OBJECTIONS BY QUEBEC

On the orders of the day:

[*Translation*]

Mr. Henri Latulippe (Compton-Frontenac): Mr. Speaker, may I direct a question to the Prime Minister?

Can the Prime Minister tell the house whether he has received any official protests from the premier of the province of Quebec concerning the pension plan which is being proposed in this house by the Minister of National Health and Welfare?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker, I have received no such protest.

Mr. Speaker: The hon. member for Okanagan Boundary.

Mr. Pugh: May I defer my question until tomorrow? Too much time has been taken up already today.

Some hon. Members: Hear, hear.

Mr. Pugh: It was a question for the Minister of Finance, and I would not expect a reasonable answer anyway at this point.

An hon. Member: You have spoiled it, now.

Mr. Speaker: The hon. member for Yukon.

Mr. Nielsen: I too, Mr. Speaker, will not take up the time of the house.

WORLD FAIR

USE OF SYMBOL DELETED BY PARLIAMENT FROM BILL

On the orders of the day:

[*Translation*]

Mr. Lucien Plourde (Quebec West): Mr. Speaker, may I put a question to the Minister of Public Works?

Did the minister inquire or does he have a statement to make about the 1967 world fair symbol which was rejected by this house and, according to press reports, was nevertheless accepted by the world exhibition corporation?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, may I ask the hon. member to put that question to the Minister of Trade and Commerce, who is responsible to this house for everything which concerns the 1967 world fair?

Mr. Plourde: Mr. Speaker, may I ask the Minister of Trade and Commerce the same question?

Has the minister made inquiries or does he have a statement to make in connection with the world fair emblem which had not been accepted by the world exhibition corporaaccording to newspapers, has nevertheless been accepted by the Canadian World Exhibition Corporation?

[*Text*]

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, the Leader of the Opposition has already addressed an inquiry to the Prime Minister on this question, and I understand the Prime Minister will be replying in due course.

[Mr. Latulippe.]

PRIVILEGE

MR. BELL—INCOMPLETE ANSWER TO QUESTION ON ORDER PAPER

On the orders of the day:

Mr. Thomas M. Bell (Saint John-Albert): I rise on a question of privilege, Mr. Speaker, with regard to a question that was answered on Monday. This is the first opportunity, sir, that I have had to bring it to the attention of the house. I refer to my question No. 337. I asked the Minister of Mines and Technical Surveys whether a study into year-round navigation had been conducted by a branch of his department. The answer was that no study had been made. Reference was made to geographical papers. I have them and have looked them over, and the last one I looked at has a complete section in it with respect to winter navigation. The pertinent, last paragraph says:

> In view of the severity of ice conditions in the gulf of St. Lawrence, the icebreaker fleet was eminently successful in the routing and convoying of shipping.

I am not blaming the minister, but some civil servants need smartening up on this matter. I object to two things; I object to the sloppy, non-factual way in which the answer was given, and I also object to the fact that the government is going ahead with investigating and planning to open up the St. Lawrence in the winter, without any authority to do so.

Hon. W. M. Benidickson (Minister of Mines and Technical Surveys): Mr. Speaker, the answer which I gave on Monday was adequate and clear, and I think the hon. member's question of privilege today is quite out of order. I made it clear that our department was simply investigating oceanography and ice conditions in the St. Lawrence.

COMBINES

MEAT PACKING—OFFER TO PURCHASE BURNS AND COMPANY

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I ask the Minister of Justice whether his attention has been drawn to the fact that an anonymous Canadian bidder has made an offer to purchase Burns and Company Limited, the meat packing company in Calgary, and have any inquiries been made by his department to see whether this will bring about an extension of the combine in the meat packing industry which was discovered by the officers of his department in a previous investigation?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, I saw the title on the newspaper clipping just a few minutes ago, so I will take the hon. gentleman's question as notice.

NATIONAL DEFENCE

SASKATOON—ALTERNATIVE EMPLOYMENT FOR DISCHARGED CIVILIAN EMPLOYEES

On the orders of the day:

Mr. E. Nasserden (Rosthern): Mr. Speaker, I have a question—

Mr. Speaker: Order. Is the question very pressing?

Mr. Nasserden: Yes, it is, Mr. Speaker. I have a question for the Associate Minister of National Defence. A few days ago he kindly gave me an answer to a question with regard to the civilian employees at the R.C.A.F. station at Saskatoon. The question I would like to ask is this. Is the minister aware that many of the civilian employees at the R.C.A.F. station at Saskatoon are being offered alternative positions which reduce their remuneration by approximately $1 an hour; and if so, does he condone this practice?

Hon. Lucien Cardin (Associate Minister of National Defence): It would seem to me, Mr. Speaker, that this is the type of question that should be put on the order paper.

THE BUDGET

ANNUAL FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The house resumed from Monday, March 16, consideration of the motion of Hon. Walter L. Gordon (Minister of Finance) that Mr. Speaker do now leave the chair for the house to go into committee of ways and means.

Hon. George C. Nowlan (Digby-Annapolis-Kings): Mr. Speaker, in rising to continue the debate which I adjourned the other evening I would say that one has had an opportunity to look over the budget address of my hon. friend in a quieter atmosphere than the rather frenzied aura which always prevails, and properly so, on the occasion of the presentation of the budget. I must say that, having read it over carefully in the past day or two, I sometimes wonder why I did not conclude the debate the other evening instead of going on for any length of time today, because there certainly is not a great deal in the budget presentation of the minister on which one can make any serious, critical comments, or critical commentary, as far as that is concerned.

It is so different from the atmosphere last year. Hon. members will remember the arrival of the Minister of Finance (Mr. Gordon) on that occasion, with all the solutions to the nation's problems wrapped up in his brief case, and he presented them to us. There was a whole bookful: they were going to rectify foreign ownership of Canadian industry; they were going to do this, they were going to do that, and they were going to do the other thing. For various reasons that budget, as I said the other night, has been improved upon from time to time because most of the provisions in it have since been dropped. Instead of having, shall I say, a superman arriving to present the budget as we had a year ago, this time we had Mickey Mouse coming in with a very, very small parcel.

Some hon. Members: Hear, hear.

Mr. Nowlan: This makes the position of an opposition critic, the financial critic or anyone else, rather difficult. I have a quote here which I should like to read to the house. I am not going to quote from newspapers this afternoon to any extent, Mr. Speaker, because I do not intend to speak at any great length; but I have one newspaper quotation which is apropos of what I have said, and which I came across only this afternoon. I am sure it will commend itself to the minister, because it is in keeping with the thought I just expressed. This editorial was in the Quebec *Chronicle-Telegraph* of March 18 and it says:

> After a year of almost continuous labour, the mountain, apparently, has brought forth a mouse—It is a poor, timorous thing wrapped up in large swaddling clothes.

I do not think any better comment than that can be made on the budget. As I said, Mr. Speaker, I am not going into this matter at great length this afternoon. I do not think I can finish before five o'clock, but I shall not go very much beyond that. There are certain things, of course, in the budget of which we entirely approve. As I said the other night when I was asked about this on the radio, and the question was whether there was anything in the budget of which we approved, "I have not brought my microscope with me and could not answer that question at this time". But having produced my microscope in the meantime, I can say there are some things of which we do approve. We approve, of course, of the provisions with regard to educational advantages. We approve of the deduction of tuition fees for part-time students; the deduction by either a brother or sister for—if I may introduce a new term here—a sibling dependant attending school. We also endorse the proposed extension of family allowances and commend the minister and his associates for their remarkably quick conversion in this regard because, having voted against this most important provision

only a few weeks ago, they embraced it to their bosoms and brought it forward in the person of Her Majesty's Minister of Finance. This was really a remarkable conversion and one for which I would commend the Minister of Finance. I have used this simile before, but the conversion of Saul of Tarsus on his way to Damascus was not as rapid as that of the minister and his associates in this connection.

We entirely approve, of course, of the incentives contained in the budget which, as the minister said, are directed toward certain areas in need of economic expansion. As I recall it, the minister referred particularly to certain areas in Quebec and also to the Atlantic provinces. I am glad to see that the minister is extending the period of these incentives so they will be longer in operation. I am not sure, Mr. Speaker, just what the reason may be. It may be that the incentives have proven so useful that the minister feels they should be extended; or perhaps so far they have not been taken advantage of at all, or very, very little, and the minister thought that by extending the period for a year or two more he might be able to get some people to take advantage of them. I realize that these incentives are difficult to administer. I also doubt, frankly, the efficacy of some of the incentives which the minister projected.

It is not his fault that they are not effective, but I doubt very much the efficacy of them. I would suggest to the minister that in the province with which I am more acquainted than any other, namely the province of Nova Scotia, he will find the incentives and leadership given by the government of that province, through Industrial Estates Limited, in the development of industry have been far greater than that which has flowed from any of the incentives which he has put forward thus far. When we hear, as we undoubtedly will, from the Minister of Finance, who is, of course, a very modest individual, or perhaps from the Minister of Industry (Mr. Drury), as to the developments which have taken place in the province of Nova Scotia, I hope that they will—and if they do not, some of us on this side of the house will have to—distinguish between what may have flowed, if anything, from the incentives to which the Minister of Finance has referred, and to which he referred again the other night, and the work done in the province of Nova Scotia which has given a tremendous impetus to and leadership in the industrial development of that province.

In that connection I should like to make reference to the only newspaper report to which I will draw the attention of the minister this afternoon dealing with the matter of incentives. It is an editorial which appeared in the Halifax *Chronicle-Herald* for March 17 last, in which is discussed the question of incentives as particularly applying to the maritime provinces. This editorial says, in part, that the minister could, and should, have done more to encourage economic growth through further tax incentives. It points out what the paper looks upon—and I concur with this paper in this regard, although I do not always—as limiting incentives to specific areas, and suggests that there should be a more all-embracing area covering the province as a whole, rather than picking out one town in one county and another area in another county. That is not the way.

I cannot speak with authority obviously on a large province such as Ontario, with which the minister is thoroughly conversant, but in a smaller province like Nova Scotia you cannot pick out one town in one county, and another town in another county, and have the incentives apply as they should. The Halifax *Chronicle-Herald* recommends that these incentives be broadened so as to cover larger areas, and I think that is a suggestion which is well worth following. These are some of the matters, Mr. Speaker, of which one can speak with commendation to the minister for having brought them forward.

And may I say, Mr. Deputy Speaker, that we are glad to see you in the chair.

The hon. member for Nanaimo-Cowichan-The Islands (Mr. Cameron) referred to the budget the other night as small potatoes and few in the hill, a very pastoral expression which I think he must have picked up in the maritime provinces because I heard it used by my grandfather who lived in Digby county many years ago. But I should like to use a more apt description of the budget than the one to which he has referred and say that it is more like a timorous mouse.

I should like to discuss for a few moments, although I will not be able to finish my remarks on this point before five o'clock, one change which the minister has made and which has aroused a great deal of comment by the financial press during the last few days. I am referring to the changes which he has made in the withholding tax. You will remember, Mr. Speaker, that the minister proposed last year a withholding tax which we on this side of the house criticized very strongly. We said that it was discriminatory; we said that it could not be applied; we said that it would invite retaliation and that it would be necessary to negotiate a new tax convention between Canada and the United States if it was to be effective; and we said that time would not permit such a negotiation to take place.

The minister questioned these criticisms of ours and then went ahead with his program, although he altered and amended it in various ways during the next two, three or four successive budgets which he brought down. But he still maintained the difference between the 20 per cent and the 10 per cent. If one did not accept a certain amount of Canadian participation one would be required to pay a withholding tax of 20 per cent. On the other hand, if one did one would only pay a withholding tax of 10 per cent. He made a differentiation, as I told the minister last year, as between the good boys and the bad boys, and on that aspect alone we did not think that this proposal of the minister was a sound principle to bring into tax legislation.

This year the minister tells us that he was in Washington a short time ago, that he had found a new element had entered the situation, and consequently that he was going to amend the tax. The new element was that the United States senate had brought in a bill to reduce taxation, and for some reason which I am not going to try to follow for the moment—quite frankly, I cannot follow the minister anyway on this—he said that because of this new factor he was now prepared to amend his proposals; and perhaps I may be permitted to suggest how this should be done after we resume the debate at eight o'clock. However, I should like to point out to the minister at this stage that this new factor of the reduction of the tax—the proposal before the United States senate to reduce taxation—was before the United States senate last year, as I recall it, before the minister amended this provision for the second or the third time. So therefore it could not have been a new factor, because it was already before the United States senate. I think it was recognized by the United States press that this tax reduction bill would go through, so the minister cannot be heard to say today that this was a new factor in the situation.

However, I do suggest that the new factor is this. When the minister was in Washington a few weeks ago secretary Dillon told him that his proposal was bound to invite retaliation; that the increase to 20 per cent, of course, would require a new tax convention; and that it was impossible to renegotiate such a convention before December 31, 1964.

Let me say, Mr. Speaker, that a student in grade nine political science would know that this year, with the heavy legislative burden which is before the United States senate—without going into the details of it—with the protracted debates which have already taken place and which will, according to every newspaper report I have read, continue for a long while to come, and with an election in the offing and one third of the senate to be re-elected, and with naturally the other two thirds supporting their colleagues taking part in the election either in the senate or the house of representatives, there would be very little hope for any renegotiation of a tax treaty. As we pointed out, if this was not done there would be an automatic 30 per cent withholding tax as at December 31 this year. Therefore this was not a new factor but was a gradual recognition on the part of the minister that the things which we on this side of the house said were true and correct, and he had to reconcile himself to them in his budget.

May I call it five o'clock, Mr. Speaker.

Mr. Grafftey: That is what happens when they do not consult their officials.

Mr. Deputy Speaker: Order. It being five o'clock the house will now proceed to the consideration of private members' business as listed on today's order paper, namely notices of motion (papers), private bills, public bills.

MOTIONS FOR PAPERS

REMOVAL OF ARMS AND AMMUNITION

The house resumed from Thursday, March 12, consideration of the following motion of Mr. Bell:

That an order of the house do issue for a copy of all letters, memoranda or directives made by the minister and/or the Department of National Defence regarding the rounding up of arms and/or ammunition.

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, last week in the two or three minutes available to me I had outlined some of the background in relation to the situation in which we found ourselves in connection with the security of national defence property in general, and small arms and ammunition in particular. As I indicated, there had been some concern throughout a number of months with respect to the security of small arms, and steps had been taken to tighten up the security precautions in respect thereto.

Following the raid on the armoury in Montreal on January 30 this process was accelerated in order to remove the temptation to attempt another such incident from anyone who might be inclined to do so. As I indicated, on January 31, the very day following the raid, immediate action was taken. A commission was set up and that commission was asked to study the security regulations in respect of national defence property, and to make recommendations as to any steps which should be taken to improve the security measures.

Simultaneously some of the services issued orders to tighten up the observation of

existing regulations in respect of security. Interim measures were taken which required that rifles be stored separately from their working parts, separately from the bolts and from the ammunition. Consequently, as I indicated, from that day forward no useable arms were taken.

When the commission reported, it recommended the immediate withdrawal of small arms until adequate security precautions could be put into effect. This was ordered at once for sensitive areas. As I indicated, it was carried out with zeal and there have been no losses since that time. Simultaneously across the country security measures already in existence were being enforced more rigidly than had been the case, and in a number of cases arms and ammunition were removed temporarily until such time as the regulations could be met. Arms and ammunition removed from various installations were placed in installations where they could be given round the clock security, and even in those installations where arms were no longer in inventory additional watchmen were required to provide more general surveillance of national defence property.

The suggestion has been made that round the clock guards should be put on all national defence installations, including reserve units. I really think that on reflection hon. members will appreciate that this is not a practicable suggestion. In this country we have had no history of providing round the clock armed security for our reserve units, with some exceptions, those exceptions being at times like the Fenian raids and when there was some indication of riot or insurrection. With those exceptions there never has been any attempt to provide uniform, round the clock security for our reserve installations.

The magnitude of the problem is really very great. If anyone felt that such a course should be followed, I think he would have to look very carefully at the manpower required and the cost in dollars which would be involved. To provide really adequate round the clock security for all our reserve units would require the employment of thousands of men and the cost would run into many millions of dollars a year. In my opinion this is not a practicable solution. In this regard another recommendation was made by the commission set up in the Department of National Defence and which, as I have indicated earlier, included a representative of the Royal Canadian Mounted Police. Their recommendation was that other measures be taken which would provide adequate security, make it very difficult to effect the removal of small arms and ammunition and not require round the clock armed guards. These measures are being studied and will be implemented just as quickly as possible.

Many of the arms that have been withdrawn have already been reinstated in areas where this could be done under adequate security measures. This process will continue just as expeditiously as it is possible to do a proper job of inspection, and just as soon as the requirements can be adequately met.

I think the important point is that the action which was taken, as the result of a situation which we all regretted and deplored, has been effective. It has been commented upon favourably by a number of newspapers in their editorial columns, and we are grateful for their support. There have been one or two misapprehensions. For example, the Montreal *Gazette* in an editorial on February 25, I believe—I am not sure that was the date it appeared—fully supported the program of withdrawing serviceable firearms and ammunition from armouries and other reserve army establishments where security cannot be provided on a round the clock basis. The editorial went on to say:

> This is the necessary move. It is imperative that it be taken now. It would have been preferable had it been taken earlier.

The editorial goes on to say:

> But there is one aspect of the defence minister's statement that is uncertain. Mr. Hellyer says that orders have gone out that at least one person is to be on duty at reserve establishments at all hours of the day or night. Does this mean that firearms and ammunition will still be left in reserve establishments, provided that they have one armed guard?

The answer is no. I do not think there was any lack of clarity in the statement. The statement was that during this period at least arms and ammunition would only be stored where adequate round the clock protection was available; and the one person on duty at all hours referred to the defence establishments where there were no arms or ammunition but where other national defence properties were in inventory. I might also say that we received co-operation from people across the country, and I should like to pay tribute to them for their co-operation, which is very much appreciated. I have one letter I should like to read, with the indulgence of the house, which I think is indicative of the spirit of co-operation. It is addressed to me and reads as follows:

> Honourable Sir:
>
> It is with disgust that I read almost daily of the sentiment of various M.P.'s as well as editors of newspapers across the country re the picking up of arms from the various cadet corps across the country.
>
> As the chief instructor of one of the largest, if not the largest, cadet corps in eastern Ontario, namely, the No. 2403 St. Lawrence high school cadet corps, I must state that the person concerned at Ashbury College in Ottawa who is continually

complaining about the pick-up of arms from that college knew, and I am sure of this, that they would pick up the said arms and he was notified well in advance of same. I know this because I was notified at 7 p.m. and the rifles were picked up here between 12 midnight and 1.30 a.m. on the same day, and I didn't kick as it was my duty to be prepared.

So far all it is worth you can mention my name in the house and I will vouch for same. I am sure that all concerned were notified but there are some who fail to comply with an order even though they are members of Her Majesty's forces and have taken the oaths of office.

I commend, and I wish you would mention this in the house, the eastern Ontario area cadet training officer for the method in which he instructed his men to take out arms.

The majority of papers in eastern Ontario and also in Toronto have published news about matters they knew nothing about whatsoever and I deem it their fault that this has come to such a ridiculous stage.

I would also like mentioned in the house, if you see fit, that St. Lawrence high school has the crack cadet rifle team in Canada, and not Windsor. We have had various trophies come to Canada in the past few years from England, such as the Young Rifleman's trophy which had never been won before by a Canadian and this being won by the cadet who came first in Ontario and third in Canada in the Dominion of Canada Rifle Association at Connaught ranges.

I am pleased with my corps. I am pleased with the wonderful co-operation we have received from army headquarters. I am sure our hon. member L. Lamoureux can vouch for this.

I trust this has enlightened you some in your big job at present and if I can be of any further assistance to you in this important matter be free to call on me.

(Major) C. H. Paulin

Mr. Churchill: Is he an officer in the cadet corps?

Mr. Hellyer: He is the chief instructor. I think this is typical of the general attitude of co-operation which we have had across the country. May I again say how much we appreciate the indulgence of all concerned. Most people have, I think, recognized that the situation was difficult and that some unusual action was required in the face of the circumstances. They have been understanding and sympathetic in their reaction.

I do not believe I will take more time of the house, but may I reiterate that the armed forces have carried out with dispatch their assigned task of tightening up security in respect of small arms and ammunition, because they have them as a trust and it is their responsibility to make sure that they cannot be easily removed from national defence installations and fall into unauthorized hands. These tasks have been carried out very well so far. We have been completely successful in what we have done. I am sure we will have the support and co-operation of all members of the house in respect of this very difficult situation. I can also assure hon. members that just as quickly as the situation can be restored so that normal training can be resumed in all parts of the country, this will be done. It will be done under circumstances which will limit, just as much as we possibly can with reasonable cost, the possibility of arms and ammunition falling into unauthorized hands in the future.

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, the minister did not say anything about the motion that is before us, which is for an order of the house for a copy of all letters, memoranda or directives made by the minister and/or the Department of National Defence regarding the rounding up of arms and/or ammunition. This is what is before us. The minister has simply put up a defence, in his opinion, of the action that was taken. The course of the debate has not been restricted entirely to the production of these particular documents. Certainly, in the light of the minister's reply, since he did not deal with the motion at all, I presume the debate is wide open.

The reasons for asking for this type of information were set out very clearly by the hon. member for Saint John-Albert (Mr. Bell) on March 12 as recorded at page 841 of *Hansard*. It is rather unusual to request the production of documents which, you may say, are interdepartmental documents. However, as the hon. member for Saint John-Albert pointed out, the circumstances are unusual. Reference has been made quite often by the minister to the fact that directives were not carried out in the same way in all areas. Naturally one wonders, therefore, if it would not be in the public interest to disclose the directive that he sent out, and then we would be clear. The letter which he has just finished reading to us mentioned the fact that orders were received. Were those the orders that came direct from the minister, or to what orders or directives is the writer referring?

Incidentally, Mr. Speaker, I thought it was a most unusual and inappropriate action for the minister to read a letter from a cadet instructor, a letter addressed to the Minister of National Defence. In the first instance, I should like to know why a cadet instructor would write directly to the Minister of National Defence. There is a chain of command to be followed in the services. Apparently, the minister permits cadet instructors to write to him, and now encourages them by this public action. Does he get letters directly from other cadet corps instructors and from his navy, army and air force personnel in the junior ranks? It is a very strange thing indeed. I think the minister is seriously at fault in setting up one cadet instructor against another. Here you have one cadet instructor saying, in effect, pay no attention to the complaints from your people at Ashbury College

because everything went all right in our area; pay no attention to the complaints of other cadet corps instructors.

The Minister of National Defence, with responsibility for hundreds of cadet corps across this country, should not be publicly playing one off against the other. I think the minister had better re-examine the responsibilities of his position or we will have a rather odd situation in this country in which people ignore the normal means of communication within the services and are communicating directly with the minister. Then, you begin to wonder, for what purpose? If the minister is going to commend in this way one cadet instructor, why not commend them all or tell us the ones of which he does not approve? Why does he raise this particular issue here in the House of Commons? It is an absolutely inappropriate action.

There would be no motion on the order paper if the minister had been more forthcoming in the answers he gave to a whole host of questions that have been asked in the last several weeks. This trouble began with a raid on the armoury in Montreal which occurred almost 80 days ago; we are into the twelfth week now since this occurred and we have had no satisfactory answers from the minister concerning that particular event. There was another robbery at Shawinigan Falls and attempts elsewhere, and then we had this haphazard action in connection with the cadet corps. Had the minister given information to the house clearly and without evasion, we would not have this motion before us at the moment. He has not been clear and he has certainly been evasive.

Even in reply to a simple written question I put on the order paper, asking him to indicate the areas in which arms and ammunition had been taken from the cadet corps, he stated that it was not in the public interest to give this information. Yet we were reading in the press about one cadet corps after another where some incident had taken place, and he did not tell us to what cadet corps the weapons had been returned.

All of this had made the minister look a bit foolish, and we would like to find out whether or not he was clear in the instructions he gave to the people under his command. I think he must have been very confused himself.

I started this whole train of thought on Wednesday, February 19, as recorded at page 9 of *Hansard* for that date, when I asked him a question about the thefts, and in answer to that he said:

> I also directed that appropriate action be taken to increase security measures at all military establishments at which weapons and ammunition were stored.

[Mr. Churchill.]

Then he went on to say:

> Ammunition was removed and put in storage at protected depots.

That was his appropriate action. He did not give the date, but it followed some time after the theft from the Montreal armoury, and subsequently he apparently appointed a commission. This is what he does whenever a problem comes up; he appoints a commission or sets up a special committee. He has untold numbers of officers in the services who can be assembled at a moment's notice, without necessarily making them into committees or commissions, in order to get advice and immediately give instructions.

Surely this problem could have been handled by the chiefs of staff on the very day it came to their attention that there was some difficulty concerning protection for arms and ammunition in the armouries? But the minister said it was a very large problem and it had to be investigated very carefully. He had to find out how many armouries there were and where they were located, how many cadet corps there were and where they were located, but yet right across the country there were area commands where this information could have been available at a moment's notice. By one call on the telephone he could have had a report from every one of those areas; but no, he appointed a commission to look into it and then waited for its recommendations.

He also told us that after he took immediate action, that is, after January 30, no useable arms were subsequently removed. Is he prepared to say that the arms taken at Shawinigan Falls on February 20 were not useable? Rifles and pistols were removed from that armoury on February 20 and they have not yet been recovered.

Further, the minister talked about the impossibility of providing around the clock protection for reserve units. That is understandable, depending where the reserve units are, but it is not understandable with regard to the armouries which are not so great in number that they could not be protected. In some small towns, and areas where militia units have rented quarters, one could not expect around the clock protection, but surely the armouries, which are not that numerous, could have been provided with around the clock protection, and then there would be nothing for us to worry about?

The minister has done something else which has bothered me very seriously. When questions have been asked in this house he has shifted the responsibility. He did this only last Thursday, as recorded at page 846 of *Hansard* for that day, when he said:

> Immediately the commission reported, action was taken the very next day to implement the recommendations made for immediate action.

Then he drew attention to the fact that:

—local commanders have been made responsible for the security of the weapons in their command, and for the carrying out of orders. It has been on their responsibility that a number of weapons have been removed and precautionary measures taken.

Surely it is on the responsibility of the minister. I interjected and said:

You are blaming it on the services.

He replied that he was not. I can give other instances where he shifted the responsibility and put the blame on the services. He certainly did not come to the protection of his serving officers when complaints were made in this house about these actions.

Just have a look sir, at page 457 of *Hansard* for March 3 last, where the hon. member for Burnaby-Coquitlam (Mr. Douglas) is recorded as asking the following supplementary question:

I want to ask the minister if these different interpretations are due to lack of clarity in the minister's order, or to incompetence on the part of the commanders, or to a desire on their part to embarrass the minister because he has been taking away some of their toy soldiers?

The minister had nothing to say. He did not answer that question, and I only wish the hon. member for Burnaby-Coquitlam were present in this chamber when I am speaking of him. I did not like that question. I thought the minister should have immediately accepted the full responsibility and said it was due to lack of clarity in his order. He should have denied that there was incompetence on the part of the commanders.

An accusation now stands on the records of this house that the members of the services are incompetent, and the Minister of National Defence had nothing to say in their defence. Surely he might have denied that if they took inappropriate actions it was not, in the words of the hon. member for Burnaby-Coquitlam, due to "a desire on their part to embarrass the minister"?

Does he agree that these inappropriate actions, as he has indicated they were, were taken to embarrass him, and why did he not say something about the last phrase used by the hon. member for Burnaby-Coquitlam—"because he has been taking away some of their toy soldiers"? There was not a word from the minister. That was just another one of those snide remarks against people in the services, against people in the militia, against cadet instructors and cadet corps. Who are these toy soldiers? I do not mind if people who have smelled gunpowder talk about toy soldiers, but why are we subjected to remarks like this by people in public life, without any defence on the part of the minister?

Mr. Hellyer: On a question of privilege, Mr. Speaker, I did not think at that time that the question was worthy of the hon. member for Burnaby-Coquitlam, and I do not think it is worthy of the hon. gentleman to repeat it now, or rather the allegations contained in it.

Mr. Pigeon: That is no question of privilege. That is a statement.

Mr. Churchill: I am not repeating it as a question. I am merely indicating that it is the type of question which the minister permitted to go unanswered, and I say the Minister of National Defence should at least stand up for the people in the armed services. They are not privileged to state their position here in the House of Commons. Is there to be acceptance in this country that they are playing at being toy soldiers? Remarks of that type were heard in the 'thirties. Those of us who were in the militia then can remember them, before the outbreak of the second world war. They were made in some areas by people who, perhaps, did not see the service of their country in the way others did.

For the Minister of National Defence to let a remark like that go by without comment was, it seemed to me, indicative of a somewhat discourteous attitude to the people under his command. If they were able to be present here they would reply in no uncertain terms. There is no question about toy soldiering going on now in Cyprus. People in cadet corps, people in the militia, are not playing at being soldiers; they are giving service to their country.

Why does not the minister tell us exactly what directions he gave to the officers under his command, to the militia units in this country and to the cadet corps? Why does he not make the position clear instead of coming to the house and reading some commendatory letter he has received from a friend? Had the minister been seized of the importance of this whole operation he would, surely, have done so. Instead, he has dealt with it flippantly, just as he has dealt with inquiries about the notorious, mysterious, undisclosed and, perhaps, never to be produced white paper.

Why has the hon. gentleman been so flippant about this subject? Why can he not give the House of Commons an indication of the directives he issued with regard to the security of arms and ammunition in this country? He still does not treat the matter with the seriousness it deserves. Sufficient arms and ammunition have been stolen to arm 140 men, and there are 4,000 rounds of ammunition to go with those arms. I am not talking about .22 ammunition which can be

bought anywhere; I am talking about this heavier ammunition. This is a serious situation. Adequate protection should be afforded to the storage of arms and ammunition across this country; but this can be done in an effective way, with some coolness, instead of building the operation up into what seems to be a mock display of military efficiency and holding up to ridicule the armed services of this country.

The minister must accept full responsibility for this. It is not part of the hon. gentleman's duty in this house to put the blame on his officials, and those who serve in the armed forces are officials acting under the authority of the Minister of National Defence.

Mr. Deputy Speaker: I am sorry to interrupt the hon. member, but his time has expired.

Mr. Churchill: Well, I have concluded my remarks. I have intimated that the minister is quite irresponsible in his actions.

Mr. Hellyer: I would just like to say, on a question of privilege, again, that as the responsible head of the department I accept full responsibility for the action taken by the department. That is the way our system works and I have never shirked my responsibility, nor will I, nor will I attempt to back away from it in any way.

Mr. Churchill: I am sure, Mr. Speaker, you do not recognize that as a question of privilege. It is just a matter of debate. But if it is a question of privilege I would like the right of reply.

Mr. Deputy Speaker: I appreciate the comments of the hon. member for Winnipeg South Centre (Mr. Churchill). There is obviously no question of privilege here.

[*Translation*]

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, in rising to speak on this order for return, I should like to refer to what has happened in this house during the last two sessions when one member of the opposition after the other introduced such motions, knowing full well that it was unadvisable or impossible to give them the information they sought.

I wonder where we are going and what the intention is, here in this house, if we continue along that line, since we know very well that a minister is not always in a position to table certain papers.

I believe, Mr. Speaker, that in this case the Minister of National Defence should protect the general interests of the country, but on the other hand, he keeps as confidential all information liable to benefit his opponents or those now involved. I think he cannot invoke the prerogative, namely not to give all the information, in order not to give any information at all. Some information could have been given to the house and it would have probably satisfied most of us.

Once more, I realize that the opposition, when introducing this motion for the production of papers, was rather aiming at partisan advantage by stirring prejudices, as they have been doing for some time now. But this is an extremely dangerous demagogy, since this concerns the theft of arms and ammunition which may be used to start a revolution or a *coup d'état*.

On the other hand, if such a situation exists in the province of Quebec and if arm robberies took place, we must remember that we share the responsibility, because we helped to arouse feelings which the present government keeps stirring up. It is precisely by practising demagogy in everything related to defence that we share the responsibilities. Newspapers also have their responsibilities, because they gave too much publicity by their headlines to this problem which now faces Quebec and Canada.

The Minister of National Defence is blamed for neglecting to take appropriate steps. If I refer to the early stages of that issue, I remember very well that the opposition at that time made a big fuss, directed questions to the minister to know what he was doing, what he intended to do and why he had done nothing.

Well, today, the opposition complains that the minister committed himself too quickly and that the army acted too hastily. By inference, we come to the conclusion that we have, in this country, three types of government with decreasing power, that is: the army, which seems to be the strongest government in the country, then the civil service, and then the cabinet elected by the people. I wonder if, in carrying out the orders given by the minister, the military authorities did not take priority over the elected authority, that of the cabinet. We can see how a minister can easily be discredited in the public opinion by his own officials and officers.

I think that, in all those succeeding actions, a certain boycott by the army can be detected of the policy worked out by the minister and on which the militia is not necessarily in agreement. The army would like to have a larger share of public funds while the minister, according to decisions taken since he is a member of the cabinet, must cancel certain projects. That new policy was bound to stir up reactions in the army which carried out the orders received with

alacrity and caused certain small difficulties like the one concerning arms stored in armouries.

That being said, I think it is up to the government to act on the problem facing us today.

In my opinion, the minister acted in good faith and knowingly—which is not the case for the opposition. I am quite sure that had the hon. member for Winnipeg South Centre (Mr. Churchill) been the minister of national defence, he would probably have acted the same way, in such a situation, and not much faster, for the Conservative party has not been known for quick decisions.

[*Text*]

Mr. Churchill: I deny that.

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, if I rise today to take part in this debate, it is to state that I do not share at all the opinion expressed by the hon. member for Lake St. John (Mr. Lessard), who belongs to a party the members of which are slaves to the government.

Mr. Speaker, I believe that what we ask in entirely logical—

Mr. Guy Marcoux (Quebec-Montmorency): Mr. Speaker, I rise on a question of privilege.

Mr. Pigeon: —and that we are entitled to have these documents produced.

Mr. Deputy Speaker: Order. The hon. member for Quebec-Montmorency is rising on a question of privilege.

Mr. Marcoux: I ask the hon. member for Joliette-L'Assomption-Montcalm to withdraw the words he said, because I am nobody's slave, least of all, the hon. member's.

Mr. Pigeon: Mr. Speaker, to go on with my remarks, I think that the motion submitted by the hon. member—

Mr. Marcoux: Mr. Speaker, I would appreciate a ruling from Your Honour on my question of privilege. I think that the words used by the hon. member for Joliette-L'Assomption-Montcalm do not apply and that he should withdraw them.

Mr. Pigeon: Mr. Speaker, I named nobody in particular. If the hat fits the hon. member, let him claim it.

Mr. Marcoux: Mr. Speaker, that is precisely the reason for which I object to the hon. member's remarks; the hat does not fit me.

Moreover, when he mentioned members of the group of the hon. member for Lake St. John, he attacked me personally. The hat does not fit, and I would ask the hon. member to take it off my head to put it on his own.

Mr. Deputy Speaker: Perhaps, the remarks of the hon. member for Joliette-L'Assomption-Montcalm exceeded what he had in mind, and he might explain.

Mr. Pigeon: Mr. Speaker, in respect of the question of privilege, I might perhaps modify my remarks and say that the government is the slave of the group of which the hon. member for Lake St. John (Mr. Lessard) is a member. I think that would meet your request.

Mr. Speaker, I think it is altogether logical and in the public interest to ask for the production of these documents, of this correspondence as regards the instructions given by the Minister of National Defence (Mr. Hellyer).

In fact, I do not think that our request would endanger in any way the security of the state. I know that the Minister of National Defence received instructions from the Prime Minister (Mr. Pearson) to take such action, and I challenge the minister to put forward a sound and logical reason for not producing those documents.

Mr. Speaker, I am sure that the minister is not honest in this. He does not want to accede to the official opposition's request because the production of those documents would condemn him and, hence, the Prime Minister of Canada.

Mr. Speaker, we are prepared to co-operate with the government, but it is not through arrogance and in behaving the way they did since the beginning of this session and throughout the last session that they will obtain the collaboration of the loyal opposition. We are doing our duty. We are working in the public interest, and the Minister of National Defence should be the first one to collaborate with all members, in order to clear the situation for the general public on the event that took place.

If the Minister of National Defence and the Prime Minister are responsible for the present disorder and the lack of security in the various armouries, they should take their responsibilities and tell the house the truth, so that the Canadian people may know, once and for all, what to make of all this.

Hon. Lucien Cardin (Associate Minister of National Defence): Mr. Speaker, I did not intend to take part in this debate for several reasons.

First, I feel that, from the time those incidents began, the Minister of National Defence (Mr. Hellyer) has given the house just about all the information he was in a position to give and the people had the right to expect. Furthermore, all in all, I think this whole thing is but a tempest in a very cold cup of tea.

For some time members of the opposition have acted as if those incidents were an extremely important matter. And yet, such is not the case.

The circumstances in which the incidents took place may have been unusual, and I realize it must seem strange to many hon. members to find that, for the first time in the history of Canada, our armouries have to be protected.

I think that as soon as it was possible to do so, and immediately after the first theft, the Minister of National Defence and the army authorities took the necessary steps to that end. Since then, the Minister of National Defence has also indicated in the house that there were two kinds of steps that had to be taken.

The first was an emergency measure: weapons scattered throughout the country in armouries and cadet camps had to be stored in safe places; complete security was necessary. People forget that even cadets have not only .22 but also .303 and automatic ones. No risk could be taken and we decided to store them in safe places.

The second step—the minister also pointed it out—was to put these weapons in a place which could be temporarily watched on a round the clock basis. During that period, we had to determine measures which could be carried out in our armouries and our militia establishments in order to assure a greater protection. When that second phase was completed, the arms would then be returned where they came from.

Mention was made of raids. That term was used by members of the opposition, and if the armed forces were held up to ridicule, I think it is due to the opposition.

During all the operations held throughout the country, there were perhaps one or two incidents difficult to explain; but I do not believe anyone is to blame, and certain opinions may not have been entirely well-founded.

It is unfortunate, that attempts were made to play politics with such a small matter.

As for the motion now before us, I believe that if we had to table all the orders and regulations that the Minister of National Defence and myself—and may I say that I accept also the responsibility for what happened—I do not know what would happen. It is possible that the national security may not be in danger, as suggested by the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon). But, even then, what purpose would that serve? We would establish a precedent and later on, the minister of defence would be required to table orders and instructions—

[Mr. Cardin.]

Mr. Pigeon: Would the minister allow me to ask a question? Does he consider the Department of National Defence as as crown corporation under the present administration?

Mr. Cardin: I do not see the gist of the hon. member's question.

The Department of National Defence must necessarily decide what can be dangerous or what can affect the security of our country or the work we are trying to do. In this case, if we had revealed all the places from which weapons were to be removed, I feel we would have played right into the hands of those who seem to want to steal those weapons.

For those reasons, Mr. Speaker, I claim we are right in refusing to table the orders and directives referred to in this motion.

I might add that there has been no dishonesty here, either on the part of the Minister of National Defence or on mine.

I feel that this should not incite any one in this house to make inaccurate reports which, after all, can only discredit the government and the ministers.

There is also another point which I would like to explain to the hon. member for Lake St. John (Mr. Lessard), who seems to believe that efforts were made among members of the armed forces to embarrass the Minister of National Defence.

Mr. Speaker, may I say to my hon. friend from Lake St. John that there was no such action. On the contrary, we received full co-operation on the part of all superior officers of the Department of National Defence as well as on the part of those who were in charge of those operations. I must say also that we had no doubt about the sincerity of the people in charge of the arms at those places where we took them to put them in a safe place, but that we were afraid, and rightly so, that the arms they had might not be in a safe place and might be stolen, as it had happened, which would have increased the existing danger.

So, Mr. Speaker, I am of the opinion that the Minister of National Defence is quite justified to turn down the motion for papers proposed by the hon. member for Saint John-Albert (Mr. Bell).

Mr. Pigeon: Mr. Speaker, with your permission, I should like to direct only one question to the minister. Would he tell the house whether the orders given by the Department of National Defence concerning armouries and ammunition depots in some parts of the country have been issued in the ten provinces of Canada or only in certain given areas of the country?

Mr. Cardin: Mr. Speaker, we want to provide a little more security for our armouries, and that has been done throughout the country. All we want is to reach a level of security which will avoid the necessity of having a round the clock watch.

[*Text*]

Mr. A. D. Hales (Wellington South): Mr. Speaker, the Associate Minister of National Defence (Mr. Cardin) has just said that this matter is a tempest in a teapot. He even went so far as to say the teapot was cold. I should like to suggest to him that if he were to come into my part of the country he would soon find that the teapot was not cold, but was quite hot.

In my area of Ontario, and in Wellington South in particular, this is a very important issue. The minister spoke of unusual action being taken. I would say that most unusual action in this regard has been taken in the house in the minister's failure to reveal the directions he issued, and other information asked for by the hon. member for Saint John-Albert (Mr. Bell). It was also unusual action to issue the instructions he did throughout the country. For instance, in my riding the sea cadet corps were issued with instructions to box up their rifles and ammunition and send them to Quebec, the very province where all this trouble started. You can imagine, Mr. Speaker, what the people in my area thought of that. Why did the minister not order the sea cadet corps to place their guns and ammunition in the armouries in the city of Guelph? Those armouries were built years ago and have walls three feet thick with bars on the windows. There is an iron fence around the building. A three eight-hour shift guard could have been put around the armouries. Lots of soldiers are available, as well as reserves, to do this job of patrolling the armouries, and these guns and ammunition would have been a good deal safer there than in the province of Quebec.

I also think this is unusual action to take in the other provinces throughout Canada, aside from Ontario. Orders have been issued and guns and ammunition have been sent away. In this case we know they went to Quebec, but in many cases we do not know whether they are placed in armouries or somewhere else. We asked the minister to disclose these directives but he has not done so. While these guns and ammunition are away, the reserve forces can no longer train. They are marking time and waiting for their guns and ammunition to be returned.

The minister has talked about unusual action, Mr. Speaker, but I have never seen anything so unusual as this directive which was issued by the Minister of National Defence (Mr. Hellyer) in this particular instance. There are throughout the country armouries which are fortresses, but the minister orders these weapons to be removed from within their walls to some place else.

It is now six o'clock, Mr. Speaker, so I move the adjournment of this debate.

Mr. Deputy Speaker: Order. The hour appointed for the consideration of private members' business has expired. It being six o'clock I do now leave the chair.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

THE BUDGET

ANNUAL FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The house resumed consideration of the motion of Hon. Walter L. Gordon (Minister of Finance) that Mr. Speaker do now leave the chair for the house to go into committee of ways and means.

Mr. Nowlan: Mr. Speaker, before the house began to deal with private members' business at five o'clock I had been discussing the effect of the proposed changes in the withholding tax which the minister brought forward in the budget speech the other night. I was suggesting that the new factor to which he referred was one which was not so new, but was one which we of the opposition had impressed upon him on various occasions during the last year. I do not want to continue to discuss that at this time except to say one further word. The minister, in addition to changing the rate, and bringing it down to 15 per cent, thereby avoiding any break in the ceiling as set forth in the tax convention, also made the spread 15 per cent and 10 per cent. In other words, there is a spread now of only 5 per cent between the good boys and the bad boys. Heretofore it was 20 and 10 and now it is 15 and 10. There will only be that margin of 5 per cent in the withholding tax having regard to whether it is a Canadian corporation, if I may use that term for lack of a better one, or one under foreign control.

Without being unkind, Mr. Speaker, I would suggest that the minister must have decided that these inducements were not too effective and therefore he has now reduced the spread to only 5 per cent. I know the minister and I know he is an optimist, and obviously those associated with him must be if they think

they are going to be here next year, but it was suggested in one of the leading financial columns this morning that the minister has established a spread of 5 per cent so that next year he can close the gap entirely and provide other incentives, rather than in income tax as he proposed one year ago. Far be it from me to comment on this degree of optimism at the moment. I will leave that to the Canadian people to decide. I do not think there is any necessity to say anything further on the withholding tax at this time.

I was somewhat disturbed about a matter which is in the minister's budget speech, and to give the background of it I think I should first read a short extract from the speech he made the other night. These words were uttered with all the modesty of the gentlemen opposite who speak on behalf of the government. As found on page 977 of *Hansard* he said:

> Businesses in Canada should make a conscious effort to purchase supplies and components from Canadian sources whenever these are competitive—

It sounds to me like good old Tory doctrine, rather than that of a progressive Liberal government. However, the minister no doubt can reconcile that with his conscience.

> —to use Canadian professional firms and other services—

I make no comment on that.

> —and to carry on in Canada all the industrial functions that can be performed efficiently here, including, particularly, basic industrial research and design.

I must say that I could generally subscribe to that statement but I was somewhat disturbed in reading the budget resolutions dealing with income tax. I do not propose to deal with this in detail because others of my colleagues will, but there is one proposal by the minister in his speech which is, as I said, rather disturbing. It is one dealing with research. I have not had a chance to do all the research work which one would like to do, although "research" perhaps is an improper term at this time. Perhaps I should say all the study which I would like to do.

As I recall the situation, since 1948 the provision in the Income Tax Act dealing with deductions for research has specified that the research work should be done in Canada. I believe this has been the policy of the governments of Canada since that time. At one time this was a matter which caused the government of which I was a member a great deal of concern. Formerly capital deductions could only be made to the extent of 5 per cent. In other words, if you had capital expenditures for research work deductions were allowed only up to 5 per cent of taxable income.

We felt that encouragement should be given to research in Canada and therefore we abrogated the 5 per cent provision and allowed any capital expenditure for research to be deducted from taxable income, provided the research was carried on in Canada. Then we had a problem with respect to encouraging research generally in Canada. We were quite well aware of what was going on. More and more of our scientists and technicians were being attracted south of the border to do research work there. The government of which I had the honour to be a member gave the matter very careful consideration and discussed it with various people in industry, including some who were affiliated with some of those corporations of which the Minister of Finance (Mr. Gordon) takes a rather dim view; in other words, subsidiaries of American corporations. We were told by them that we could encourage research work to be done in Canada by giving a bonus and that would result in keeping here some of our students, some of our technicians, some of the men who otherwise would be attracted south of the border. After very careful consideration, of course, the government took the responsibility, or I did—I am not putting the responsibility on any of those with whom we consulted—by saying that we would permit a deduction or an allowance, because it is more than a deduction, of 150 per cent for increased research work which was being done in Canada. We felt this was a proper step to take to encourage technicians, scientists and others engaged in research to remain in Canada since they might otherwise be going to the United States or perhaps abroad. We did this after consultation, as I said, with many corporations that had a very broad experience in these matters.

Now, Mr. Speaker, the proposal which we have in the income tax resolution which will be before us shortly is that the deduction for research may be made when the research is conducted outside of Canada. I think this is a matter to which we should pay special attention.

Mr. Cowan: Will the hon. member permit a question?

Mr. Nowlan: Did I hear a point of order?

Mr. Deputy Speaker: I understand that the hon. member is seeking permission to ask a question.

Mr. Nowlan: I would prefer to answer any questions afterwards, rather than try to do so now. It is a quarter after eight and I know there are hon. gentlemen representing the various parties here who would like to speak on this matter tonight before the house rises at ten o'clock. I should like to conclude

my remarks. I can assure the hon. gentleman I am not going to take very much time. Perhaps if he has a question when I have completed my remarks, I will be glad to deal with it.

Mr. Cowan: I rise on a point of order, Mr. Speaker. We heard this speech on the C.B.C. at seven o'clock tonight. I thought we could save the time of the house, because we all know he is going to continue to criticize the budget deficit and also the failure to remove the sales tax.

An hon. Member: Why don't you issue another writ?

Mr. Nowlan: I would suggest that the hon. member must have been listening to CJBC which has been changed to a French language station and he could not understand what was said. I have not been interviewed; I have not spoken to anybody in connection with anything I am saying tonight. If they had the prevision or foresight to deal with this matter, I congratulate them, and I suggest that perhaps my hon. friend will have a very difficult job trying to control them in the city of Toronto in view of the prevision they have shown.

Have we any more questions at this point, Mr. Speaker?

I could go into this subject at greater length, but I know the hon. member for Edmonton West (Mr. Lambert) and other hon. members will be dealing with the income tax resolution at greater length. I am simply indicating some of the matters with which we are concerned at the moment. Frankly, this is one of the more fundamental matters. There may be an explanation. I should say that the resolution indicates a retroactive factor going back to 1942. Generally, I know the Minister of Finance would agree with me, retroactive factors should not be included in taxation matters. There may be, and probably is, a very good explanation for it. Possibly there have been some technical flaws in the act heretofore which make it necessary to go back, and I am not quarrelling with that at all. However, I do say one would expect the minister or his parliamentary secretary to give an explanation.

Mr. Gordon: May I suggest to him that I think the hon. member means 1962 and not 1942.

Mr. Nowlan: If I said 1942, I meant 1962. I know the minister would have obtained more wisdom than he has today if he went back to 1942. He would not have made the mistake he has made. I meant to say 1962. I assume that the minister will give the house an explanation on this matter in due course.

The other matter to which I referred was, why are we departing from the principle that the research work had to be done in Canada in order to qualify for income tax deduction? Perhaps the minister can assure me that I am wrong in this connection. I am sure, Mr. Speaker, that both of these questions will be explained fully by the minister when he replies, so I will spend no further time on them.

There is one other matter to which I want to refer, and perhaps I should mention it at this time, although I am not referring to these things in chronological order. The budget, of course, deals with various factors, various features of our economy. I appreciate the fact that the Minister of Trade and Commerce (Mr. Sharp) is here tonight, because I intimated to him that I wanted to raise a matter which I knew would be of interest to him. We are all, of course, concerned with the expanding economy of this country, and our expanding economy generally is determined by our export trade. I must say frankly that I was somewhat disappointed by the answer the Minister of Trade and Commerce gave the other day when I asked him about attendance at the commonwealth conference, which I believe was held yesterday prior to the Geneva conference tomorrow or the next day and for a long time thereafter.

I have no illusions as to the possibility of extending commonwealth trade. I know there are many roadblocks in the way. However, I feel we should pay more attention than ever before to the possibility of at least maintaining, if not developing and extending, our commonwealth trade. I think we were all very proud during the past week, in the light of the reports which we have been receiving concerning the attitude of British troops operating in Cyprus and the way in which they have maintained law and order under great difficulties and great provocation. When we look around us and see the various arguments, such as those in NATO which almost erupted the other day, the problems of the United Nations where, as the Prime Minister said the other night, there can be no solution to our problems if we are going to operate as individual nations, when we think of SEATO and some of the other organizations, we can take some pride in the fact that the commonwealth is a very vital factor in the world organization today.

I think we should give most careful consideration to the maintenance of commonwealth trade relationships and, I know it is difficult, to the extension of them. As I say, I informed the minister I was going to raise

this matter tonight. I think we are all disturbed when we read in the press of a conflict between the European common market on the one hand, the United States and Canada on the other, with the United Kingdom halfway between the two in so far as the importation of agricultural products is concerned. If you read the New York *Times*, for instance, last Sunday, you would find there was the threat of a conflict between the European common market and the rest of us because they say, as I understand it, there is not going to be any diminution, no accommodation, of tariffs on agricultural products; that is it. "However" they say, "we of course expect you, Canada, the United States, the United Kingdom and other countries to make concessions in negotiations with you in industrial products". On the other hand we read reports in the newspapers in Europe and we see that is not in keeping with the real facts of the case.

Sometimes, Mr. Speaker, I read in the press that there are consultations going on between officials of the Canadian government in Ottawa and officials of the United States government in Washington, and once in a while there are even consultations with the officials of Great Britain. You would think, from reading some newspaper reports, that this was something original, something new, something that had not happened before.

But none of my colleagues in the former government, and I am quite sure also the present Minister of Trade and Commerce, have to be reminded that these conversations and consultations between officials of our two governments are nothing new and nothing original. They have been going on for years, particularly with regard to the possible entry of the United Kingdom into the common market and later with regard to the GATT negotiations, the Kennedy round so-called. As I say they have been going on for two or three years, and the same officials who conducted the negotiations two or three years ago are still conducting them today, and Canada can be very proud of the officials we have representing us.

The only reason I raise this matter at this time and bring it to the attention of the Minister of Trade and Commerce—although I may have something to say about his estimates in a few moments, to which he might like to listen—is that I would hope during this budget debate he will intervene to bring the House of Commons up to date on a matter which is of vital importance to the economy of the country. I know that he has certain confidences he must maintain and that he cannot disclose all the consultations going on, but within those limitations I hope he will speak in this debate. That is all I intend to say about the matter at this time.

Incidentally, Mr. Speaker, I am taking longer than I intended to take, but that sometimes happens with an Irishman, even after March 17. The Minister of Finance has referred, not in his budget speech but in the bringing down of the estimates, to the fact that a substantial error was made, apparently by me last year, in dealing with debt costs, interest, management and so on. He made reference to that on two occasions and, even though he did not refer to it in the budget speech, I think I should deal with it now.

It is true that I underestimated the costs of the debt charges when we brought forward the estimates for the year just ended; but that, Mr. Speaker, was not an error in the proper sense of the word. I myself raised this matter with the officials of the Department of Finance when our estimates were being prepared, and I was told it had always been the policy of the Department of Finance, rightly or wrongly, not to accurately estimate the debt charges because obviously, if one did, the experts, the ones with the sharp pencils, the ones who know the intricacies of finance would be able to forecast certain things.

I may interpolate here that the estimates usually come down first and then the budget. The minister, being anxious to get his budget through, brought it down very shortly after the estimates had been tabled this year, but usually there is a time lag of some weeks, and anybody who sees the estimates and studies them, if the carrying charges have been estimated accurately, would be able to estimate what the situation would be during the coming year. Mind you, Mr. Speaker, I could not do it. With all due respect, I doubt if you could; but those in the business, those with the sharp pencils and trained minds would be able to do that.

Therefore not only did I make this error but so did my predecesssors, Hon. Walter Harris, Hon. Douglas Abbott, Right Hon. J. L. Ilsley, Hon. Charles Dunning, Hon. E. N. Rhodes, and Right Hon. R. B. Bennett, going back to the 1930's.

Mr. Pickersgill: What about Hon. J. A. Robb?

Mr. Nowlan: I did not check with regard to Hon. James Robb but my hon. friend opposite, having been in the closet of the privy council throughout those years, will undoubtedly be able to tell me exactly what Hon. James Robb did.

I am not suggesting the Minister of Finance deliberately put an emphasis on this, but

when he referred to it as being an error—in fact he said it was a colossal error on the part of the former minister of finance—I would point out that there were very good precedents for the error which I made, which was in keeping with the policy of the Department of Finance since at least the 1930's.

Also speaking of the estimates perhaps I could interpolate here that apparently the practice is being changed this year. Apparently the minister, after consultation with his officials, decided that the estimates should be made more accurate in anticipation of charges rather than what was the practice heretofore. I have no quarrel with that. It might be, although I am not saying it is, the right practice to follow, but at any rate it will be a departure from the practice of the Department of Finance for the last 30 odd years.

The minister has made provision for education and, of course, as I have said, this was a very prosaic, pedantic budget, and one could understand why; but I would like to point out that within a year or two the minister will be dealing with tremendous demands for the extension of education in Canada. What he has done in this budget is not enough. Just to keep people in high school is not enough. We are going to have to provide facilities, and whether there will be loans to university students or whether there will be fellowships, or whatever there may be, there will have to be provision made for millions of dollars for the extension of our educational facilities.

In this respect I was rather disappointed that there was nothing in the budget which showed any imagination, any preview, any suggestion that we would be confronted with these problems in the future. As a matter of fact these problems are here now, and I rather deplore the fact that this forward looking minister and this government, which had all the answers, completely overlooked that fact in bringing down the budget.

To come now to what is usually considered the root of the budget, that is, the figures, the budgetary deficits, the expenditures and so on and so forth regarding the financial position of the country at this time, the major criticism which could be levelled against this government from this angle is its absolute failure to control the expenditures of the government. If you look at the estimates, pages 4 and 5, Mr. Speaker, you will find more than 50 items of expenditures and over 40 of them show increases over the preceding year.

The increases are very substantial. There are some, of course, which are inevitable. There is, for example, the world fair which is an expenditure that the parliament of Canada has approved, and naturally the government should include that. Then there is the office of the commissioner for representation under our proposed redistribution bill. Obviously there is a substantial expenditure there, and no one can complain about that.

Since the Minister of Trade and Commerce (Mr. Sharp) is here, perhaps for a moment I could refer to him. I have the figures of various departments but I do not intend to trouble the house with them. However, I should like to refer to this for a moment. You will remember, Mr. Speaker, that last year we created a Department of Industry. Whether there was a divorce or whether some other term might better be used, there was a separation between the old Department of Trade and Commerce and the industrial sector, presumably, so now we have two departments—the Department of Trade and Commerce and the Department of Industry. I think we will all agree, without passing bouquets around at this time, that the Department of Trade and Commerce is one of the more efficiently run departments of the Canadian government. I have no hesitation whatever about saying that. You will remember, too, Mr. Speaker, that we had a Department of Defence Production. This was maintained, as I understand it, in a sort of cold storage but it was to be associated or affiliated with the Department of Industry.

Let us look at the figures for last year. In the main estimates for the year just ending, that is, the year ending on March 31, the Department of Defence Production had $22,700,000—I am dealing, now, with the main estimates, not with the supplementaries. In the coming year, with the creation of the Department of Industry, this figure, the figure for defence production has been reduced to only $17,799,000. But the new Department of Industry has $24,194,000 so that altogether the Department of Defence Production and the Department of Industry have available in the main estimates a total of $41,993,000—perhaps we could call it $42 million—or $19,200,000 more than the Department of Defence Production for last year and the Department of Trade and Commerce which, as I say, is very efficiently run and which has now been divorced of responsibility for industry—it does not have this responsibility at all—and these figures do not include expenditures in connection with the world fair or anything like that, the increase in expenditures for the Department of Trade and Commerce is $9,319,000. That is illustrative of the increase in spending which has taken place in almost every department of the government.

Now let me summarize the main estimates for a moment. The main estimates amount

to a total of $6,730 million. The Minister of Finance the other night quite properly estimated that the supplementary estimates might swell the total budgetary expenditure during the coming year to $7,125,000,000—of course, that is an estimate and the hon. gentleman is not committed to it. But this will be the first time our annual budgetary expenditures have gone over the $7 billion mark.

I know there is expansion on all sides. I know that progress demands expansion. I know our population is increasing. I know that old people are living longer, thank heavens, so perhaps I shall live longer, too. I know there are all these expenditures which have to be maintained. But I do think the time has come when the Minister of Finance and the treasury board should pay great attention to the situation which has been reached.

I cannot help wondering what is to happen with regard to the recommendations of the Glassco commission. The minister said in Toronto that various studies were being carried out by industrial research people to consider the recommendations of that commission. A year ago we were told that the recommendations of the commission would be implemented. Now we are told that four industrial research companies are studying the recommendations of the commission and I presume that when they have finished, there will be further industrial research corporations retained to study the findings of these four industrial research corporations. Well, that is not the way to control expenditure in this country.

To understand what is happening, all one needs do is to consider the figures which were given us the other day relative to the advertisements placed by the government in an attempt to secure employment for older men. We were told—and this information was contained in a press release dated March 10 to supplement information given to the house—that 936 people had been placed up to a date early in March, and that we had spent $199,511 on advertisements in connection with their employment. This amounts to the fact that we have spent $213 per man in order to find employment for a few people under this great incentive plan which the Minister of finance indicated as being the answer to our economic problems.

One could go on and on. I have an advertisement here in which I think the Minister of Finance would be tremendously interested. Perhaps the Minister of Trade and Commerce will be interested in it, too. I have an advertisement here for a civil service position. The advertisement is for a morbidity officer. If there is any government which needed a morbidity officer more urgently than the present one, I have never heard of it. I presume he is to be appointed to the office of Minister of Finance because I cannot imagine anyone who is more morbid than he is.

Mr. Speaker, I promised some of my associates in this house that I would not speak for longer than 20 minutes. I beg their indulgence for having, as an Irishman, so near to March 17, given myself 20 minutes leeway. Having said that, I propose to move, seconded by my hon. friend from Brandon-Souris (Mr. Dinsdale) the following amendment:

> That all the words after "that" be deleted and the following substituted therefor:
>
> this house regrets that the government has failed to take any effective action to control increasing expenditures and its failure so to do, despite increased taxation imposed at the last session, has resulted in a substantial deficit.

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): I can understand the difficulty which the hon. member for Digby-Annapolis-Kings (Mr. Nowlan) had in dealing with this budget, because one of the Toronto newspapers which normally supports this government had a somewhat plaintive little headline in it the other day asking whether this Liberal government really could afford quite such a Tory budget. It seemed to me there was a touch of ingratitude in the tones of the hon. member for Digby-Annapolis-Kings (Mr. Nowlan) in his attempts to tear to pieces a budget that should have been right down his alley.

I was interested, too, in the amendment that he proposed. It struck me as a typical example of primitive Tory thinking of which, I may say, the Minister of Finance (Mr. Gordon) is not altogether free, either. There seems to be an idea among a great many people—and it is very prevalent in the party to my right—that budgets can be divided into two categories: there are good budgets, and there are bad budgets; and there is a very simple yardstick by which to choose between them—good budgets are those that reduce the deficit; bad budgets are those that increase the deficit. It is a very nice, simple formula; but, of course, it has almost no relevance whatever to a modern, industrial society.

Mr. Fisher: It did not have to them, either.

Mr. Cameron (Nanaimo-Cowichan-The Islands): It did not have to them, either, as my colleague the hon. member for Port Arthur (Mr. Fisher) has said. But I think it is as well, perhaps, that we realize this when loud cries are raised against the possibility that we are going to have a deficit, or when our Minister of Finance sticks his chest out and suggests that he is worthy of praise and accolades because he proposes to cut some 33⅓ per cent from the deficit. There may be circumstances in which such a move would be

virtuous, would be wise; there may also be circumstances in which it is supreme folly, and I suggest that this particular situation is not quite so clearcut as some would have us believe.

This budget, of course, is in very great contrast to last year's. It makes one a little bit nostalgic, perhaps. It really was great fun, of course, when our new Minister of Finance went skipping across the economic fields with all the rest of us and the business world in full cry after him. Then, of course, he stubbed his toe and came to grief. As I say, Mr. Speaker, it was a lot of fun. And events have proved us right; they have proved us to be perfectly right. It was a contradictory budget; he did adopt the wrong methods to achieve the right ends; and finally, of course, it was rather a failure as the chart to the shining new Liberal world that we were to have. But still, Mr. Speaker, I am a little nostalgic, as I say, for that other budget, because even though it was a silly budget; even though it was contradictory; even though it flew in the face of all economic reason, nevertheless it had some qualities that do not attach to the present limp and uninteresting document that we are discussing tonight—because it was an imaginative budget; it was a budget that was designed to accomplish something. The fact that they were foolish methods of accomplishing things does not alter the fact that this was a budget that, shall we say, could be regarded in the modern context; could be regarded as budgets should be regarded today, not merely as the government's housekeeping list but as the government's approach to the whole direction of our economy.

We may have disagreed with what the minister attempted to do, but I do not think any of us could disagree with the aims expressed in that unfortunate budget of last year. The very fact that it was regarded by the minister in a modern context was, I think, very important; and I think it is quite tragic that something has now happened and that, having gained the experience and learned, one would hope, the lesson of how not to accomplish these things, the minister has either chosen or has been unable to follow through with the same type of budget based on sounder principles. It was, of course, regarded, quite rightly, as part of the complex of economic measures by which the government proposed to deal with our complex economy; it was not to be just a housekeeping business.

I think that for a few minutes it might be well if we were to dwell upon what are the real purposes and functions of a budget in this modern age. All too often people seem to think it is merely a casting of accounts. They seem to forget that the budget is a complex piece of mechanism which can be used to produce almost any result which those in control of it wish to effect. I suppose one might say its first purpose is that it should be designed to promote an equitable distribution of income, as equitable as is feasible in a fallible world. That, of course, would include dealing with the question of unemployment; dealing with the development of our economy to make sure that all our people have the opportunity to attach themselves to a paying job. It will not do for the Minister of Finance to sweep the unemployed under the rug by labelling them with little figures and saying, "We have an anonymous object in Ontario, which we mark 3 per cent; another anonymous object in British Columbia, which we mark 4 per cent; a much larger anonymous object in Quebec, which we mark 6 per cent; and in the maritimes, where we mark it 8 per cent". These are actual men, women and children, and you cannot push them under the rug and say that because there are fewer of them than there were last year, therefore we do not need to worry very much about them. That, I think, is perhaps one of the first functions of a budget.

Another one, of course, which is connected very closely with it, is the expansion of production in order to effect a wider material base on which to live and build a civilized society. Then I would suggest there is an even more important function of the modern budget and one which is going to become more and more important as time goes on; that is, that it should improve the quality of life for the people of the economy for which it is set up. More and more this is going to become of overriding importance; more and more we are going to find that it is not sufficient merely to arrange that no one is going to starve in our midst, or even to arrange that most people will be living at fairly comfortable levels. Very shortly governments are going to have to assume the responsibility for the very quality of life within the confines of the country. That will entail quite drastic economic measures; not the rather gentle, hesitant ones which we have had to date. It may even entail a complete recasting of our concepts of the purposes of human life.

We are emerging right now from the virtuous Victorian era in which hard work was a virtue no matter what the end of that work might be. We are emerging from the era in which all beauty, shall we say, all the more civilized accompaniments of life had to take second place to the grim business of producing material goods that we could touch and feel and see. It is not going to be good

enough merely to provide for the material welfare of people. They have to be given the opportunity to live satisfying lives; and they will not live satisfying lives in a barbarous society. Very often when I look on the Canadian scene, it seems to me that we do live in largely a barbarous society in which goals are held before our people that would be appropriate, perhaps, to the savages in Patagonia, perhaps to the native blacks of Australia who have not yet emerged to a higher standard of civilization. But for allegedly civilized people many of the goals that are held before us are trivial, are time wasting and are in fact destructive of the human spirit.

On this question of the equitable distribution of income we have, of course, been moving to some degree in that direction. All our social welfare measures, all our transfer payments, our graduated income tax have been steps toward effecting a more equitable distribution of income. But it has been almost a snail-like pace at which we have been travelling; and just as snail-like, to my mind, before the fine, clean broom of the Liberal party as it was before the tattered, old besom of the Conservative party. We need to go much faster than we have gone, and there is plenty of room in which to make that progress.

Today I received from a concern in Vancouver, British Columbia, a most interesting little leaflet which to me points to some of the areas in which our Minister of Finance might have moved. I have before me a very tempting advertisement which offers me the opportunity to make tax free capital gains from a very modest investment, tax free capital gains which would be most encouraging, I should think. Certain stocks which one could buy had a low of $6.15 and rose to a high of $21.38, showing an increased book value of 247 per cent. As this advertisement says:

> Find the easy way to get that "extra cash" you are looking for...tax-free...What you make —you keep—all of it.

Then follows a list of stocks which one is advised to buy. Of course, you can lose your shirt, but on the other hand if you do not lose your shirt then, according to this gentleman who has distributed this leaflet, you have great hopes of finally reaching millionairedom. Then there is this pleasant little comment about our modern economy:

> Canada is one of the few countries in the world where millions of dollars can be made in the stock market without paying a cent in capital gains taxes. Thousands of traders and speculators from all over have made king-size fortunes here in past years and will continue doing so because of our nation's unlimited wealth in natural resources. We go so far as to suggest that the profit opportunities will be greater this year than in any previous year in history. Read our financial service for investors, which we mail without charge every week.

One presumes that most of the people who, shall we say, play with this particular outfit will, as I say, lose their shirt.

An hon. Member: What about Clarkson, Gordon?

Mr. Cameron (Nanaimo-Cowichan-The Islands): No, I do not see their names here, and had they been here I might have let the minister know. But presumably there are people who have had more fortunate results from such operations, otherwise these people could not be in business. And they can only be in business because this government, like all its predecessors, Liberal and Conservative, has stubbornly refused to do anything to control capital gains in this country.

We had a striking example of this a few years ago in this chamber when the figures of the capital gains tax-free profits made by those who engaged in the trans-Canada pipe line were revealed. They were almost astronomical sums, and we were informed at that time that not even one five cent piece got into the national treasury. So I suggest that one area in which a more equitable distribution of income could be achieved is by preventing a grossly inequitable distribution of that income, as has taken place so often in the past.

The need for this is plainly evident to anybody who cares to walk through the streets of any of our cities. We do not need any vast tomes of social science analysis; all we need is to walk through some of the streets in the city of Ottawa and then go to some other parts of the city of Ottawa, and we will find a gross disparity of income among Canadians, a disparity that civilized people should be ashamed to maintain. I hope that when the government does come eventually to amend its taxation provisions perhaps it will call on the gentleman whose name I saw mentioned yesterday in the paper, which displayed an extremely attractive photograph and a speculative story that he might be entering the cabinet. I hope he will turn back to the speech he made a year or so ago when he was sitting on the opposition side of the house. I quoted it to him a few months ago and I am not going to quote it again tonight. It is an excellent speech and it will remain an excellent speech; and if, as I hope, and as I am sure all of us hope, this speculation is correct and this gentleman is to be translated to a higher sphere, then he can look forward to having that speech quoted to him quite a number of times, if he does not use the figures he himself

placed upon the record of this house to overcome some of the inequities of our taxation system, thereby improving, as I say, the inequitable distribution of income.

All of us agree that one of the aims of our budgetary provisions—I am speaking in larger terms than merely the housekeeping accounts —should be the expansion of wealth production in the country. This government brought forward a number of measures which were designed to achieve that and also to achieve a wider distribution of wealth producing facilities in the country. The latest reports one hears are that, in spite of the carrots dangled before industry, there have not been too many nibbles and not much anxiety to move into the designated areas, as these days we so politely call the areas not quite so prosperous as other parts of Canada.

I am wondering how long it will be before the government realize that the carrot method is not very efficacious and that something much more drastic has to be done: as drastic, for instance, as was done in Great Britain, not by a forward-looking, progressive Liberal government but by a stale, worn-out Tory government to induce industry to go into areas which they wanted to have developed, by investing large sums of public money in the building of plants and the renting of them to industries who would move in. The Conservative party's weakness, of course, was revealed in the fact that the British taxpayer was forced to subsidize any of these industries which went into such areas, because these industries were given plants at nominal rents. I suggest, Mr. Speaker, that before long our government will have to realize that if it is going to overcome the centripetal force that is drawing industry into a few areas of the country they will have deliberately to wrench it away by massive public investment in industry in those undeveloped areas.

It seems to me, Mr. Speaker, that it would be safe to do this, because in spite of the fears of extravagance expressed tonight by the hon. member for Digby-Annapolis-Kings (Mr. Nowlan) any of these industries which moved into a designated area are going to be under the control and direction of perhaps the most gimlet-eyed member of the cabinet, and one can hardly imagine too much extravagance being permitted under those gimlet eyes. But I suggest that now is the time that the government must think in those terms. It is not good enough for the Minister of Finance to tell us that because things are economically so cheerful today there is no need to do anything. He rather reminds me of the man who has a leaky roof, and who points out, quite naturally: "Of course, I cannot mend the roof when it is raining and there is no need to mend it when it is not raining."

It does not happen to be raining now, but we know quite well that clouds will be coming upon the scene before long and now is the time that our Minister of Finance should get out his little hammer and shingles and get after the roof, while he still has a number of shingles to use, instead of taking pride in having thrown a lot of the shingles away or having failed to obtain the shingles available to him to mend that roof.

I should mention another matter which I thought was, or perhaps should be, one of the purposes of a modern budget, and that is the purpose of improving the quality of life. This to me is really the most serious problem any government faces today. Anyone who observes some of the aspects of the affluent society, both south of the line and our more modest version of it north of the line, must realize all too well the need for vast public investment in what I would call intellectual stimulants badly needed by our people, so that we Canadians do not have, as we so often do, to grimace and shiver at the tastes which our compatriots display in comparison with the tastes displayed by people in more sophisticated areas of the world. But this can only be done by vast expenditures of public funds. Last year I was in Europe and visited a number of quite small cities, much smaller than the city of Ottawa. In fact, they would hardly be called cities in our country. In each case they had a first class symphony orchestra paid for from the revenues of the municipality, and encouraged, I suppose, because almost the whole population turned out to hear the high quality performances they put on. I wondered just what was the difference. Why do these people engage so readily in this sort of expenditure while we shudder away from the very thought of spending even a few dollars on a slight subsidy for a theatrical enterprise or an artistic enterprise of any sort?

I would urge on the Minister of Finance (Mr. Gordon) that it is part of his job to see that the quality of Canadian life is improved in this manner. It will take a vast investment of funds to do so. We hear a great deal about the necessity of expending funds on education, and no one supports this more enthusiastically than I, who had very little opportunity for an education; but it cannot only be formal education. There must be opportunities for people to see the best in art, to hear the best in music. There must be opportunities for people to develop sophisticated and worth-while tastes in the field of literature. Unless we do we are going to

remain barbarians, and in a world that is rapidly moving we are going to find ourselves in a backwater.

Mention has been made of the drain of scientific brains out of the country, and of the expenditure of public funds by the Canadian authorities on scientific research outside of Canada. Very often we hear complaints made that we spend money on educating young Canadians only to have them leave and go across the border and devote their developed talents to the building up of another economy and another society. I was discussing this matter a month or two ago with a young woman in Vancouver who is an eminent scientist, and she told me that this is quite a wrong picture of the situation, that Canadian scientists have no desire to go to the United States, that it takes more than money to take them there. They are driven there by the fact that there are no employment opportunities for them in Canada. They just cannot find places.

She told me that she herself knew of many young scientists who would have been only too glad to obtain employment in Canada at substantially lower rates than they would receive in the United States, but there were just no places for them. There were no places for them because our Minister of Finance, for one, considers it a virtue to cut down the deficit, considers that he must make obeisances to those rather antiquated gods of orthodoxy when our country is crying out for the type of development that would create substantial employment for such people.

These are things that I think budgets and those who make them should have in mind. The great function of a budget is to improve the quality of life, to increase the quantity of wealth available for supporting that life and also, of course, to fit our country to take part in an effective way in the developmental program that must be undertaken by our United Nations organizations if we are going to have a worth-while world in which a developed Canada can live.

Before closing I should like to say a few words about another matter with which the budget is connected to some degree. Like most Canadians, and certainly, I think, like all intelligent Canadians, I have been disturbed and saddened by the growing rift appearing between two sections of our people, by the increasing bitterness of language, the increasing heat of the exchanges that are being made. I am reminded of something that happened long, long ago, something that I can see across the dark chasm and abyss of time of nearly half a century. I can see quite clearly before my eyes a certain sign that one saw plastered on the walls of every building in France and Belgium, in estaminets, in cafes, on trains, everywhere where troops were likely to congregate. It was a very simple little sign. Taisez-vous. Méfiez-vous. Les oreilles ennemies vous écoutent.

[*Translation*]

Where is the danger? Where are our enemies? Are they in France, in Montreal, in the province of Quebec or elsewhere? No, because we must not look for them without but within ourselves. Our worst enemies are our ears which hear the smallest insults and hurt our pride. They are more dangerous and more insidious than our enemies in France or Montreal.

[*Text*]

They are the ears of our malice, of our stupidity, of our ignorance, of our sheer ill will, and those ears are hanging out today to catch every ill considered word, every hurting, wounding comment, every derogatory statement made by one side or the other in this conflict. I feel this very strongly, because unlike most of you here my Canadian national identity was not inherited. It is one I had to build myself bit by bit, and perhaps I built it more strongly or more clearly than at any other time when, as a young man in the uniform of Canada's army, I spent four years in northern Europe.

Significantly enough, a great proportion of those with me at that time were like myself, but there was not one of us there in northern France at that time who was not consciously there as a Canadian representing Canada. We knew, if we had never known before, that Canada was our home, and I suggest that at that time for the first time Canada emerged as a really distinct national identity, and some of us paid a very heavy price for that identity. It is about time we presented our bill and it is a bill which must be paid. That bill is this: We will not permit anyone to destroy that national identity upon which our own identities are based.

The other day when we sent Canadian soldiers to Cyprus the thought occurred to me that perhaps there were some people we might send with that contingent to very good advantage. We might, for instance, pick up the young men who use the term "frog" as an insult, pick up the young men who consider it is the part of patriotism to burn union jacks, and ship them to Cyprus. Take them to Limassol. Take them to Nicosia. Show them the bodies of men, women and children who are dead as the end result of this tossing of insults across the language and cultural fence. I can say from personal experience that there is nothing like a few corpses to induce some serious and salutary thinking in

even the most irresponsible heads on the brevity of human life and the irrevocability of death.

I would hope, Mr. Speaker, that even if we do not send these people from both sides of this country to see the end results of their folly, they may themselves be able to draw a lesson from this. I think most of us felt when the troops went to Cyprus that here was one occasion upon which all of us, whether we be pacifists, militarists or whatever we might be, could be united in our pride in the action being taken by Canada and in the service being performed by Canadians.

In order that we may be able to play a much more effective role in this field in the future, there are those of us who think we should be devoting an even larger part of our substance towards this sort of work. In line with that thought, I wish to present now an amendment to the amendment of the official opposition. I move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

> That the amendment be amended by deleting therefrom all the words after the words "any effective action", and by substituting therefor the following words:
>
> "reduce defence expenditures so as to provide substantial savings which could be used for economic development in Canada and for increased aid to developing countries through the United Nations and its specialized agencies."

The amendment, as amended, would then read:

> This house regrets that the government has failed to take any effective action to reduce defence expenditures so as to provide substantial savings which could be used for economic development in Canada and for increased aid to developing countries through the United Nations and its specialized agencies.

In conclusion, Mr. Speaker, I should like again to address a plea to those on both sides of this rift that has developed. My plea would be a repetition of that warning that was held before us in France. Taisez-vous, Méfiez-vous. Les oreilles ennemies vous écoutent.

Mr. H. A. Olson (Medicine Hat): In rising to take part in this debate to comment on the contents of the budget, one is faced immediately with the problem of whether he should address his remarks to the contents of the budget or to the omissions from the budget. We in this party acknowledge that there are one or two important proposals in the budget. Having said that, we must hasten to add that there are several matters of even greater importance that received only passing reference. I might say, Mr. Speaker, that paramount amongst these omissions is the enormous increase in the public debt charges. Surely it would be erroneous to assume that members of the government generally, and the Minister of Finance (Mr. Gordon) particularly, are not concerned about the largest of all of the increases in annual public expenditures. If, however, he is concerned and yet did not even mention it in his budget review, then we must assume he does not know what to do about it. Has the minister resigned himself to the belief that this progressively accelerating cost of debt is tantamount to some kind of malignant disease for which there is no treatment or cure? I want to say more about that a little later.

Usually the members of this house, and of course the press, attempt to give a budget a name, a short title that sums up the contents of the budget in a word or two. This practice has been followed again this year. We have heard it called such things as, "stand-by"; a "hold the line budget"; and we have even heard it called the fifth chapter in last year's edition. In addition to that, Mr. Speaker, we see captions in the press referring to this budget as "the students' budget". There is very little substance in it, but the little there is is directed towards giving some assistance to young people. There is the extension of family allowances and the income tax allowance for part-time students. We have no objection to these provisions. I could quote, for example, from our election platform, and also produce a lot of correspondence that has passed between my office and the Department of Finance, to prove that we have advocated the adoption of this measure.

I am wondering whether or not the minister was thinking about the proposal to lower the voting age to 18 years when he prepared the budget. I am sure the minister and the government are very conscious of the fact that by amending the franchise to include the 18-year-olds we would be adding about 750,000 to the voters list. It is obvious this is not a pre-election budget, but perhaps it was a little precultivation which was considered to be prudent. I do not believe the minister had this sole purpose in mind, but when we look at the budget we find everything is the same as last year, except for some of these provisions.

There have been a number of charges levelled since the minister announced he was going to introduce the budget. Some people claimed it was too early; there seemed to be some unnecessary urgency to introduce it. There has even been the suggestion that this may have been done deliberately to harden the attitude of the federal government towards the provincial premiers when they meet in Quebec later this month. I happen to be one of those who believe budgets should

come out and be introduced before the fiscal year begins with which they deal. Of course, this means they have to be introduced by the middle of March, and that is exactly when the minister introduced it. I am sure we can look back in history and find that the middle of March is the normal time for the introduction of the budget. Sessions of parliament have been thrown out of what might be called the normal pattern during the last two or three years because of elections. When we had the regular four sessions for each parliament, budgets were introduced in March, and I think there is nothing wrong with the timing.

There are one or two comments I should like to make about the minister's statement. I noticed that this year he only made a passing reference to the municipal development and loan board. Last year it was stated this was going to be one of the great new pieces of legislation introduced by the federal government to help the municipalities in Canada with their long term capital requirements problem. I read some of the speeches the minister gave at an earlier time. One of the things he mentioned over and over again when he was talking about the municipal development and loan fund was that it was primarily designed to create employment. I ask, is he satisfied now when we have 5.5 per cent unemployment? Is he satisfied that this and other measures the government introduced have reached their objective to the point where he does not need to extend the activities of the municipal development and loan board?

In his speech the minister referred to:

> —the work that will be done, and the new jobs that will be created, as a result of funds made available by the municipal development and loan board.

He also referred to the Atlantic development board; but I ask, is the reason that he has not expanded this plan because he is satisfied we have reached the point where there is sufficient employment being created?

At page 971 of his speech, referring to the matter of employment, he said:

> This does not mean we can afford to be complacent. Our international deficit has been cut down, but it still remained more than half a billion dollars in 1963. And a level of unemployment around 5 per cent represents only progress—

If the municipal development and loan fund was so successful as he claims it has been, then on his own argument it should be expanded. He says this only represents progress, and that means only the jobs which have been created by the first $400 million, or whatever portion of that which has been spent.

Now, Mr. Speaker, I wish to say a few words about regional incentives. The Minister of Finance had quite a lot to say about this subject. I do not disagree that it is necessary and may have some desirable effects in some areas, but in my opinion having a three year tax holiday in these designated areas, and an accelerated write-off for income tax purposes, will have the effect of some industries being mislocated whenever these incentives are taken away. When that happens employees in an industry that has been improperly located will load a social problem on to the municipality concerned as soon as the incentives are withdrawn.

I should like the minister to take this point into consideration. I know there was one area in southern Alberta which was designated for this purpose. One industry which would have been better established about 120 miles away from that area—

An hon. Member: In Medicine Hat?

Mr. Olson: No, not in Medicine Hat but near Medicine Hat—looked into the matter of this tax holiday and accelerated depreciation allowances, and found that as soon as these lapsed it would be in an uneconomic position, being so far away from the source of its raw materials, and would have to move again.

I noticed the Minister of Trade and Commerce in the chamber a few minutes ago and I am sorry he has left, because I wished to bring the matter of sugar policy to his attention. On page 972 of the budget speech the Minister of Finance said:

> The United Nations conference on trade and development which opens in Geneva next week will focus on the special trade and development problems of the economically less developed nations of the world. One of the greatest problems of our age is to find practical ways of raising the standards of living of these nations.

He went on to say:

> It will be our purpose to find effective methods for improving the trade opportunities of the less developed countries, without disruption of established industries in the more advanced countries.

Right now Canada has an opportunity to practice what the minister is advocating. We have seen spiralling increases in the price of sugar during the past 18 to 24 months. I am convinced, and in fact the Minister of Trade and Commerce has admitted, that Canada has been offered her requirements of sugar on a long term forward pricing arrangement substantially below the current high prices. At the same time the forward pricing arrangement would be sufficient to guarantee some kind of stability to the so-called economically less developed countries.

In replying to several questions which I put to him, the Minister of Trade and Commerce said he thought the price was still too high and that it was not prudent to enter into such long term contracts. I point out that the price at which Canada was

offered sugar was a price that was just barely in line with the cost of production at home. I also suggest that it was no more than what was fair for some of these emerging countries. Here we have an opportunity for Canada to practice what it preaches if it wants to do something about helping some of these economically less developed countries.

There is a very complicated formula used to find the relationship between the price of raw sugar and the final retail price. At the time this forward pricing arrangement was proposed, the price offered was about £45 to £48 per ton, London daily price. The current cash price on the London market at that time was up to £90 to £95. Therefore these countries had offered their sugar at less than half of what it was selling at on the cash market in London. Yet our government turned it down. How much cheaper does it want it?

If we entered into such a long term agreement the other benefit that would come from it would be some kind of stability for the price of sugar for our own sugar beet producers. Over the past 10 years, excepting the last 18 months, the sugar beet producers of this country have been denied any kind of stability, but the United Kingdom and the United States have entered into such long term sugar pricing arrangements, fair to their own producers at home and to the producers in these economically less developed countries. I think Canada could show the world some good faith by doing likewise.

Sugar is one thing we have to buy. As a matter of fact our home production of sugar has gone down from 20 per cent of our requirements in 1958 to 14.8 per cent in 1962, simply because the price was below the cost of production. In fact on occasion the treasury has had to make subsidies available through the stabilization board in order to give our producers a reasonable price. As I have said, here is an opportunity for us, and I would urge the government to practise what it preaches.

On page 973 of his speech the minister talked about the government's willingness to transfer some of its responsibility for long established shared-cost programs to the provinces. We would like a little amplification of that statement. We would like to know what are the programs which the minister is willing to transfer to the provinces, and what kind of arrangements the provinces could make to ensure they would have the money to operate them.

On page 974, we find the minister using an old Tory phrase. He is reported as speaking about the old age security fund and, speaking about the deficit in that fund, he says:

> This will be made up in the next few years; in the meantime it has been met by a temporary loan to the fund.

Well, temporary loans have been made to that fund on a number of occasions in the past and I do not know that any of them have been paid back, except by adding to the deficit.

As set out on page 981, the minister dealt with family allowances and said they were to be extended to 16 and 17 year olds and that the rate of payment would be $10 a month. However, the hon. gentleman did not announce the effective date of this concession. Is it to be when the legislation is passed by the house, or is it to be on July 1? I have heard some speculation that it is to come into operation on September 1. On which date will this concession become operative? We should also like to know whether this relief is to be granted on a 12 month basis. Something has been said about "the period while attending school". We presume it will be for the whole year, but there are one or two months when students would not be attending school.

One almost amusing thing which happened today took place when the hon. member for Digby-Annapolis-Kings (Mr. Nowlan) accused all those members of the house who voted against an amendment with respect to family allowances during the debate on the address in reply to the throne speech a few days ago of having changed their minds. This underlines a situation about which I have had a good deal to say in the course of the present session, namely the way in which we can make a farce of the proceedings here by the manipulation of the rules. Everyone who understands anything about the operations of this house knows very well that if we had voted to support the subamendment before us at that time, the effect of passing it would not have been to increase family allowances; its result would have been to destroy this parliament. Then there would have been recourse to the country and a new program. But hon. members to my right still seek to perpetuate this farce, through the press and in other ways, so as to give the impression that all those who voted against the subamendment were opposed to increases in family allowances. Nothing could be further from the truth.

As I indicated a few minutes ago, I wish to discuss in a little more detail not only the fantastic burden of debt charges in total for the year, amounting to something like $1,035, million, but the equally fantastic and alarming increase for the present year amounting to $156 million. To be fair to the Minister of

Finance, and to put the increase in the 1964-65 fiscal year as compared with the figure for the 1963-64 fiscal year into proper perspective, I want to acknowledge the explanation made to the house by the minister on March 3 when he said that some of this increase was due to inaccurate estimates of the cost for previous years. Surely, one of the most astonishing statements we have heard in this house for years was that made by the former minister of finance this evening, when he told us that ministers of finance for the last 35 years have deliberately deceived parliament and the people of Canada when presenting their estimates in this regard. I want to know whether the present Minister of Finance is following that practice. Is this figure of $1,035 million also intended to mislead the house?

Mr. Gordon: I would be glad to answer the question. The answer is no; it is correct.

Mr. Olson: I am glad we are finally getting some truth. Anyway, regardless of these explanations, the fact remains that the total for the coming year in interest alone stands at $1,005 million. The other $30 million represents amortization of discounts, premiums and commissions and so on. The comparable figure for interest alone for the year ending in 1957 was $508 million. In round figures, this amounts to a $500 million increase in interest charges during the past seven years. I do not think the Minister of Finance will disagree with that figure because it is in the blue books though, once again, I am alarmed to find that these blue books have been deliberately deceiving the house in the past.

This also means there has been an increase of almost 100 per cent during the same seven year period. Let us remember that this is not just a $500 million increase each year, compared with what we paid seven years ago, and every year from now it will go on, unless, of course, we pay off some of it. Projecting the same rate of increase into the future we find that by 1973 the taxpayers of this country will be paying $2 billion in annual debt charges alone.

Moreover, the interest on the debt in the year ending March 31, 1957, amounted to 11.5 per cent of our total expenditure. The interest on debt for the coming fiscal year calls for 15 per cent of the total estimated expenditure. If this pattern continues we shall be devoting 21 per cent of our total estimated expenditure to interest charges by 1973. This increase from 11.5 per cent of the total in 1957 to 15 per cent this year amounts to a 40 per cent rise in the portion of the expenditure incurred by the federal government in debt charges.

[Mr. Olson.]

These enormous increases, both in themselves and as a percentage of total expenditure, are alarming enough, but even these figures do not tell the whole story. In 1957, current revenue was almost equal to expenditure. This year revenue will be $455 million below expenditure. If one calculates the increased cost of debt in relation to revenue, the percentage of increase appears, therefore, as even greater. This is what is happening, Mr. Speaker. We cannot turn our backs on it. We cannot ignore these charges, because we have to pay them. These debt charges represent by far the largest increase in any item for the year under consideration, yet the minister did not even refer to them in his budget speech.

There are, of course, two very obvious reasons for the tremendous increase which has taken place. The average rate of interest has gone up and the need for loans to meet the deficits of the past six years has added substantially to the principal of our national debt.

I do not have time in which to go into some of these other matters. But we thought we had the minister on the right track just after he brought in his last budget. We understood something was to be done to relieve the tremendous burden of municipal financing. But we do not see any extension of assistance in this regard. According to the latest figures available—and I obtained these figures only a few days ago—municipal debt had increased from $106 million in 1957 to $201 million by 1961. Projecting this rate of increase to 1965 it will be seen that there is likely to be substantially more than a 100 per cent increase during the intervening period. I do not know how much longer the minister thinks this kind of financing can go on, with up to 21 per cent for debt charges alone; municipalities, in some cases, paying 30 per cent to 35 per cent of their total budget for debt interest charges alone. We have heard nothing from the minister to suggest what he is going to do about it or how he is even going to slow down or reverse this trend.

We in the Social Credit party have advocated for years that some of this social capital in the beginning, progressively growing larger, could be subscribed by the Bank of Canada. We know there is an increase in the money supply every year. This year we are told debt charges amount to something like $1,035 million. Is there anything wrong with the Bank of Canada supplying some of the finance and paying it over to the federal treasury so it can be used for these social capital projects? This is all that we ask; we do not ask the government to flood the country with more money, to increase the money supply any faster than it is being increased

now. We think that with regard to some of these things for which the municipalities incur social capital expenditure it is possible, reasonable and desirable for the Bank of Canada to provide some of the capital. Otherwise we can look into the future—and not too far into the future—to 1973, where the project is that we shall be paying $2 billion in debt charges on the national debt alone. The taxpayers of Canada will also be paying these enormous debt charges through the municipalities. We think the time has come to take the first step, even if it is not a great step, toward reversing this trend.

I think the municipal loan and development fund, if it were changed so that these funds were supplied by the Bank of Canada, would provide that first essential step for us to get back on the rails. I should remind the minister that the New Democratic party are not against deficits. I think if we go back over the years it is rather easy to convince oneself and anyone to whom you are talking that the only time we have had a reasonably high level of prosperity is when somebody has been incurring a deficit. The government, industrial expansion or the expansion of consumer credit, can increase the money supply in the country. But if we are going to have tagging along with it these debts and enormous interest charges that are going to cripple us as the years go by, I think we should be taking a long, hard look at the situation.

We do not ask the government to go all the way and suddenly change things. Perhaps it could be done a little at a time. The money that is required for social capital purposes is called social credit by our party; the New Democratic party call it social capital. This could be taken from the Bank of Canada in stages so we would not have these enormous debt service charges to meet. I see that my time has expired, Mr. Speaker, and I would urge the Minister of Finance to give some consideration to these proposals.

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, when he entered triumphantly into the city of Orange, Julius Caesar had every reason to shout:

Veni, vidi, vici.

I came, I saw, I conquered.

About the current budget, one could say: It came, we saw, we gained nothing.

Mr. Speaker, Shakespeare asked:

To be or not to be?

Well, we might ask: "Budget or no budget?"

To turn to a French poet, Mr. Speaker, Francois Villon, in a short poem, may have expressed very well what I think of that budget. He wrote:

Dans un vieux cimetiere
Un fossoyeur creusait
Il fit jaillir de terre
Un crane qui dormait.
En veux-tu du vieux frere?
Me dit-il et je refusais.

That is somewhat the impression this budget gives me.

[*Text*]

Mr. Fisher: But Villon is the rogue's poet.

Mr. Gregoire: You will have to say it in French, my friend.

[*Translation*]

A chemist would define the budget as he defines clear water: something tasteless, colourless and odorless.

[*Text*]

Tasteless, colourless, utterless.

Mr. Fisher: "Utterless"?

Mr. Gregoire: Utterless. Crystal clear.

[*Translation*]

Mr. Speaker, it is surprising that this happens exactly the second year in office of this government and the present Minister of Finance (Mr. Gordon).

Does it mean that the present government and the Minister of Finance after only two years are so devoid of inspiration that we can see the results in the budget?

Does it mean that they could not give us more or that they did not think of giving us more in spite of all their election promises, since when their second budget is brought down, they did not have enough imagination to give us more than what we saw, a few days ago, in their second budget?

Short of breath. No imagination. It was only good for a year. Not even for two years.

Where are all those ideas they had before the election when they were in the opposition?

Mr. Speaker, I listened to the present Minister of Finance when he was sitting in the opposition. He had many ideas at that time. Then, he was able to do everything. Oh. He was really brilliant. He was to revolutionize this country's whole economy. But today, what has he got to say? His favourite word is "but".

He says: there is a great deal of unemployment still, but . . . Always the word "but". Then he says: We improved the balance of national accounts, but—

An hon. Member: But all is well.

Mr. Gregoire: But all is well. And again, he says: I admit that there is still some unemployment, but—

An hon. Member: All is well.

Mr. Gregoire: That has been the main theme of the Minister of Finance: the little word "but", after each admission.

What progress did we make with the first budget? We remained at a standstill, we toed the line instead of going ahead.

I realize that after last year's budget, the Minister of Finance might be somewhat afraid. There is a saying: A burnt child shuns the fire. Perhaps that is what happened this year.

At any rate, the last budget is no progress, and where there is no progress, there is a set-back.

Deficits once more. Borrowings once more. A $750 million deficit is predicted. Taxes once more.

What difference is there between the Conservatives and the Liberals? Not the least.

I am pleased to note that the hon. member for Lotbiniere (Mr. Choquette) agrees with me. Nothing has changed. At least, the hon. member for Lotbiniere has the courage to admit it and I commend him for it. What difference is there between the budget just introduced and the one submitted by the Conservatives for five or six years? No difference at all. It is always the same. As time goes by, there is more of the same.

There is no use kidding ourselves, nothing has been changed. The Minister of Finance wants us to believe in the economic situation of Canada. Well, Mr. Speaker, I too would like you to believe in the situation which now exists, and I may not see it with the eyes of an accountant or a Minister of Finance, but as we see it in our own offices when we meet electors, workers, farmers, unemployed people of our constituencies who have lost their jobs at the radar station of St. Sylvestre or Parent in the county of Chapleau, or when we talk with unemployed workers from the counties of Lapointe, Villeneuve, or those from the counties of Lake St. John and Lotbiniere.

They know what the situation is in Canada because they have evidence of it in their homes, within their families and all around them. I will try to describe to you the true financial, monetary and economic situation of Canada.

Let us start with the financial situation. The most striking fact about it, Mr. Speaker, is that it is disastrous. The national debt is disastrous, a disaster, that is, for Canada.

To realize that, you just have to refer to the 1963-64 Canada Year Book. Unfortunately, I cannot consult the French edition because I am told it will be published six months after the English edition, because the Minister of Finance is too poor to have the two editions published simultaneously.

Mr. Speaker, our national debt amounted to $17,923 million in 1954. Today, in 1963, it amounts to $24,799 million, that is an increase of $7 billion. In 1954, the interest amounted to $476 million yearly; in 1963, it amounted to $883 million—pardon me, there is an error of $102 million, as the Minister of Finance pointed out the other day—which brings the interest on the debt to $985 million for 1963 and $1,370 million for 1964.

The interest is disastrous and so is the debt. Mr. Speaker, the government keeps on borrowing and the Minister of Finance has announced that he will seek to borrow $750 million this year.

That is the debt of the federal government. There are also the debts of the provincial governments, the school boards, the municipalities. In 1960—the last year for which a complete report is available—the debt of the federal government amounted to $21,369 million, the provincial debts amounted to $3,699 million and the municipal debts to $4,771 million, that is a total of $29,565 million.

A debt of $30 billion for the government, whereas the money in circulation to cover that amount is barely $2,500 million, plus the money in cheques; the money supply totals between $16 and $17 billion, probably even a little less, perhaps $15 or $16 billion this year, which means that there is not enough money in circulation to pay the whole debt.

The federal government debt alone amounts to $8 billion more than all the money Canadians have in hand, in their bank accounts, in companies' chests, in savings of all kinds and everywhere in Canada.

What is to be done when one has more debts than assets?

Mr. Speaker, I wish to put a question to the Minister of Finance. I am sure that, as an accountant, he will be able to give me an answer. I am told that his parliamentary secretary (Mr. Benson) is also an accountant. Here is my question. How do you call a company or corporation whose debts are greater than its assets? Do not be shy about telling us. It is a bankrupt company. Well, the federal government alone has a debt exceeding by $8 billion its assets in cash, cheques, legal tender, money supply or credit in circulation.

But notice, Mr. Speaker, that the federal government likes to be in debt. It likes to borrow. I wonder if it is still qualified to administer the country.

I was reading today what the functions of the government are with regard to boards and corporations and I found the information appalling.

It likes to borrow, and the best solution it has to offer Canadians is to get deeper

into debt. And you will realize it by the examples I shall provide.

First of all, there is the municipal loans board. Let us loan to the municipalities, this will help them.

We shall establish a commission to help students. We shall lend them money; we shall help them to run into debt.

There are also the loans to farmers through the Farm Credit Corporation, and under the Agricultural Rehabilitation and Development Act. Let us lend to farmers, let us involve them in debt. This will please my friend, the hon. member for Lotbiniere. Let us involve them in debt.

There is also the industrial development bank. Let us lend to manufacturers.

And the Central Mortgage and Housing Corporation, on the other hand, lends to Canadian taxpayers, so that they may be able to build houses.

Such is the federal government. It likes to lend. It likes to get everybody into debt.

There are also the loans for farm improvements. Again, let us get our farmers into debt.

And as concerns immigrants to Canada, let us lend them money, let us get them into debt, also and this, according to the Revised Statutes of Canada, chapter 325, section 69, paragraph (6).

And it was also necessary to lend to Indians. An Indian loans board was established, according to chapter 149, section 69, paragraph (6) of the revised statutes. Let us involve them in debt.

There are also loans to the international development association, 1960 statutes, chapter 32, section 5.

And what about loans to crown corporations? It is not enough to get everybody into debt, loans are also intended for crown corporations. The government sets up crown corporations and lends them money under Revised Statutes of Canada, chapter 116, section 82, paragraph 4.

We have the small business loans. We even have loans for fishing operations. Briefly, everybody is being put into debt.

Mr. Speaker, I only quoted a few of the loans acts. And when everybody has been involved into debt, regulations are passed to control credit arrangements for the Canadian people.

Once all the taxpayers are well into debt, regulations are passed to assist the creditors. Reference is made in our statutes to the Bankruptcy Act regulations.

We have regulations on arrangements between creditors and farmers, Revised Statutes of Canada, chapter 111, section 41, paragraph 2.

There is also a statute providing for the adjustment of debts contracted for seed grain loans.

Mr. Speaker, it means that the function of government has changed. It is no longer an administrator or a legislator. It does not exist any more to see to the welfare of the citizens, but rather to lend them money, to get them into debt. Loans are made to everybody.

Does the government suggest solutions or logical measures to help the Canadian people? No. It makes loans to them, it gets them into debt.

Mr. Fisher: Ten o'clock.

Mr. Gregoire: And then, after that it is found that the Canadian people can hardly make a living.

Mr. Speaker, since it is ten o'clock I shall continue my remarks tomorrow. Tomorrow will be the day of solutions.

[*Text*]

BUSINESS OF THE HOUSE

Mr. Churchill: I wonder if I might ask the house leader if he will live up to his commitment of last night and tell us what we are going to do next week; or is that pressing him too much?

[*Translation*]

Mr. Favreau: Mr. Speaker, in order to allow the hon. member for Lapointe (Mr. Gregoire) to complete his speech and reveal the mysterious solution he can offer us, we shall continue tomorrow the debate on the budget.

Monday and Tuesday will be the third and fourth days devoted to the consideration of the budget.

Wednesday we shall revert to the study of supplementary estimates and interim supply, to continue it Thursday, if it is not over. On the other hand, if this study is completed before Thursday, we shall consider other measures which will be announced later.

[*Text*]

At ten o'clock the house adjourned, without question put.

APPENDIX

REPORT BY A JOINT COMMITTEE ON COMMUNITY ANTENNA TELEVISION BY THE BOARD OF BROADCAST GOVERNORS AND THE DEPARTMENT OF TRANSPORT

TO

THE HONOURABLE J. W. PICKERSGILL, MINISTER OF TRANSPORT AND TO THE HONOURABLE MAURICE LAMONTAGNE, SECRETARY OF STATE

On December 31, 1963, the Secretary of State and the Minister of Transport issued a public statement in which they said that the board of broadcast governors—with the technical advice and in consultation with the Department of Transport—had been asked by the government to inquire into and recommend any legislative action that may be required to ensure that, so far as the constitutional jurisdiction of parliament will permit, the use of community antenna television for the dissemination of television programs is subject to similar regulation under parallel conditions to that applied to direct broadcasting.

A committee of the board of broadcast governors and the Department of Transport—and under it a working subcommittee of the same two agencies—has inquired into this subject over the past two months and has held numerous discussions and formal meetings.

Community antenna systems rely both upon radio links and land lines or cable relays. Complete control of all aspects of cable relays and closed circuit T.V. can be achieved only by complete federal control of land lines, a large portion of which are presently under provincial control in the absence of federal declaration or statute. This would involve complicated problems of provincial consultation. However, effective control over the major area of CATV could be achieved by amendments to the Broadcasting Act covering commercial broadcasting receiving stations and land stations where these stations are used to feed a cable relay distribution system with radio or television broadcasting signals or where the land stations are used to feed the distribution systems with closed circuit radio or television signals. These amendments should include:

(1) a requirement that the Minister of Transport refer to the B.B.G. for hearing and recommendation of any applications for licences or for renewal thereof, including renewal of existing licences, and give the board the necessary powers for this purpose;

(2) authority for the board to regulate such stations in regard to program content and other non-technical matters (the Department of Transport would continue to deal with technical aspects);

(3) extension of the objects and purposes of the act to commercial broadcasting receiving stations and to land stations feeding cable relay distribution systems;

(4) a limit on foreign ownership of new commercial broadcasting receiving stations and land stations feeding cable relay systems similar to the limitations now contained in the act for broadcasting stations;

(5) authority for the board to control interconnections (networks) of cable relay distribution systems when they are fed with signals from commercial broadcasting receiving stations or land stations.

(6) authority for the board to enforce of its own action conditions of licences of stations in these categories where the conditions have been included as a result of a recommendation from the board; and to take action in the courts of violations of such conditions or of infractions of the regulations.

When authority is given to the board under the act, it is proposed the board should regulate the commercial broadcasting receiving stations and the land stations as defined in such a manner to ensure that, consistent with the public interest in the reception of a varied and comprehensive broadcasting service, the board should to the greatest extent practicable maintain the Canadian identity and character of service available to the public and further the purposes of broadcasting as set out in section 10 of the act. The board would also regulate the relationship between licencees and provide for the final determination of all matters and questions in relation thereto.

The board may wish to consider regulations prescribing the time periods for programs delivered by commercial broadcasting receiving stations and land stations as defined for feeding a cable relay system, and respecting the alteration or curtailment of programs handled by these two sources for feeding a cable relay system. Changes in the authority for the reception of broadcasting stations by

commercial broadcasting receiving stations and the broadcasting signals carried by land stations as defined would need to come to the board for approval, as would a change in the area served through the medium of the cable relay system as specified in the licence.

The committee has examined the act in detail and is prepared to lend its assistance to the Department of Justice in suggesting the necessary changes and wording in the Broadcasting Act to cover cable relay systems.

HOUSE OF COMMONS

Friday, March 20, 1964

The house met at 11 a.m.

VACANCY

Mr. Speaker: I have the honour to inform the house that I have received a communication notifying me that a vacancy has occurred in the representation, namely of Henry Frank Jones, member for the electoral district of Saskatoon, by decease.

Accordingly I have addressed my warrant to the chief electoral officer for the issue of a new writ of election for the said electoral district.

PRIVILEGE

MR. CHOQUETTE—REFERENCE TO REMARKS OF MEMBER FOR LAPOINTE

[*Translation*]

Mr. Auguste Choquette (Lotbiniere): Mr. Speaker, I rise on a question of privilege.

At the top of page 1276 of *Hansard*, the hon. member for Lapointe (Mr. Gregoire) is reported as saying:

> What difference is there between the Conservatives and the Liberals? Not the least.

Then he went on to say this:

> I am pleased to note that the hon. member for Lotbiniere (Mr. Choquette) agrees with me. Nothing has changed. At least, the hon. member for Lotbiniere has the courage to admit it—

Mr. Speaker, I wish to protest officially against that statement. I do not for one second approve of the fantastic and farcical theories of the hon. member for Lapointe. He was probably trying to be funny; indeed, his whole speech might be described as a farce. However, nothing he said was true.

[*Text*]

PROCEDURE

COMPOSITION OF SPECIAL COMMITTEE

Mr. J. E. Walker (York Centre) moved:

> That the special committee on procedures and organization of the House of Commons appointed March 9, 1964 be composed of Mr. Speaker, Miss Jewett, Messrs. Aiken, Balcer, Baldwin, Fairweather, Gregoire, Knowles, Lachance, Lambert, Lamoureux, MacEachen, Olson, Rouleau, and Walker.

Motion agreed to.

SENATE AND HOUSE OF COMMONS ACT

AMENDMENTS PERMITTING REFUSAL OF INCREASED INDEMNITIES

Mr. Speaker: Introduction of bills, subject to the same caveat as has been given on previous occasion. If I may, I should like to correct *Hansard* of yesterday; the same caveat was given concerning the introduction of two bills at that time, but was not recorded.

Mr. Guy Marcoux (Quebec-Montmorency) moved for leave to introduce Bill No. C-78, to amend an act to amend the Senate and House of Commons Act and the Members of Parliament Retiring Allowances Act.

An hon. Member: Explain.

[*Translation*]

Mr. Marcoux: Mr. Speaker, this is the same bill as the one I introduced last year. Some members seem to be in an awkward situation following the increase of their allowances last year. It seems they are unable to refuse that raise. Therefore, this bill provides that it will now be possible for those members, instead of resorting to demagogy by pretending that everybody except them is in favour of that raise, to refuse such increase.

[*Text*]

Motion agreed to and bill read the first time.

RAILWAY ACT

AMENDMENTS RESPECTING REPEATED APPLICATIONS FOR ABANDONMENT

Mr. Nicholas Mandziuk (Marquette) moved for leave to introduce Bill No. C-79, to amend the Railway Act (refusal of abandonment).

He said: The purpose of this bill is to provide that if the board of transport commissioners has refused an application by a railway company for the abandonment of a line of railway, or has refused leave to remove, close or abandon any station or divisional point which would involve the removal of employees, no subsequent application for such approval or such leave could be entertained during the next five years.

The idea behind my bill is to prevent the railway companies from making annual or even more frequent applications to the board in the hope that those opposing the applications will get tired of doing so and that they,

the companies, will eventually achieve their ends.

Motion agreed to and bill read the first time.

ADMINISTRATION OF JUSTICE

PROPOSED ONTARIO LEGISLATION—MOTION FOR ADJOURNMENT UNDER STANDING ORDER 26

Mr. Reid Scott (Danforth): Mr. Speaker, I rise to ask leave to move the adjournment of the house, arising out of the report in the morning papers with respect to the incredible piece of legislation introduced yesterday in the Ontario legislature—

Some hon. Members: Order.

Mr. Scott: —by the Conservative government. I ask leave, therefore, to move, seconded by the hon. member for Burnaby-Richmond (Mr. Prittie), the adjournment of the house under standing order 26 for the purpose of discussing a matter of urgent public importance, namely the introduction by the Ontario government of legislation which would destroy the principles of Magna Carta and the bill of rights, and as a result would seriously undermine the long standing principles upon which our democratic system is based.

In doing so, Mr. Speaker, I think it is vitally important that this body today register its views on this piece of legislation, so that the government of Ontario may be well aware of the seriousness with which we view this type of activity. Having served as counsel before the royal commission on crime in Ontario, I am well aware of the problem they are trying to solve; but it seems to me the solution being proposed is far too drastic and far too dangerous to be permitted to take place in a democratic society.

I therefore hope, Mr. Speaker, that you will consider this matter as one of grave urgency. It is important that parliament express its views immediately before any further action is taken by the Ontario government. Never to my knowledge has such a drastic piece of legislation been proposed, and unless this house today immediately registers its views there will be no further opportunity to make our views known before the government of Ontario proceeds to enact this legislation.

Mr. Speaker: Are there any other hon. members who wish to say anything at this time? I think it is quite evident that the matter is extremely important and concerns every citizen. Nevertheless it has a provincial overtone, which is one of the matters, I should like to remind the hon. member, that we must consider in this question. In the past, no matter how important the question was considered to be, unless it was something extraordinary previous Speakers have invariably ruled, if my memory serves me correctly, to the effect that while the budget was being debated there was ample time, scope and opportunity to discuss a matter of urgent importance, as this obviously appears to be on its face.

In the circumstances, inasmuch as we are in the budget debate, it seems to me that ample opportunity will be given to the hon. member to raise the subject and discuss it at length. Therefore it seems to me the opportunity is at hand, and in the circumstances I do not think the ordinary procedures of the house should be set aside at this time under standing order 26.

LABOUR RELATIONS

GREAT LAKES—U.S. CO-OPERATION TO AVOID INTERFERENCE WITH SHIPPING

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I wish to direct a question to the Minister of Justice. It has to do with the potential danger of interference with Canadian shipping on the great lakes by wrongdoers in the United States. Yesterday there was a forecast in that connection by Mr. Paul Hall, the head of the S.I.U. in the United States. I ask the minister whether the Canadian government has the assurance of the administration in Washington, particularly the department of Justice there, that there will be the co-operation of the police forces of the United States so that our shipping can ply the great lakes with freedom and be unimpeded, and Canadian shipping will not be molested by unlawful interference as was the case last year.

In view of Mr. Hall's statement that that interference may be forthcoming, the administration in Washington should be made aware that interference of this kind is viewed by Canada most seriously and is not in keeping with the relations between our countries.

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, it is quite evident that the matter raised by the right hon. gentleman's question is one of great importance. I have not personally been seized thereof in my official capacity as Minister of Justice, but the right hon. gentleman may be assured that this is one question which will continue to be dealt with by all my colleagues in government and also with the appropriate authorities elsewhere.

Mr. Diefenbaker: Mr. Speaker, I ask the minister whether there has been any communication by his department with Washington in this regard, or have there been any communications on the part of the Department of External Affairs with the United States pointing out that their co-operation is necessary, and that it is indeed demanded by the Canadian people?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, there is no doubt that the government of Canada, through the Department of External Affairs and the Canadian ambassador in Washington, has made it clear that the co-operation of the United States in this matter is desirable and essential. I myself have pointed this out to the secretary of state in discussions I have had with him, as I know the Minister of Labour has with his counterpart in the United States.

Mr. Diefenbaker: What has been the reaction resulting from this dialogue?

Mr. Martin (Essex East): There has been an assurance of co-operation.

[*Later:*]

Mr. H. Russell MacEwan (Pictou): Mr. Speaker, in the absence of the Minister of Labour may I ask his parliamentary secretary if the minister is today attending the reported meeting between Mr. Paul Hall of the S.I.U. and the maritime union trustees in Montreal.

Mr. J. A. Byrne (Parliamentary Secretary to Minister of Labour): I think this, Mr. Speaker, would be a quite improper supposition.

EXTERNAL AFFAIRS

CYPRUS—TERMS OF REFERENCE OF PEACE KEEPING FORCE

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): I should like to direct a question to the Secretary of State for External Affairs. In view of reports of repeated violence and fighting in the island of Cyprus, is the Secretary of State for External Affairs now in a position to tell us whether any precise directives have been given the Canadian forces serving under the United Nations command? If so, what are these directives and by whom were they issued?

Hon. Paul Martin (Secretary of State for External Affairs): This question was asked me yesterday by the hon. member for Peace River, and there were other questions as well. There have, of course, been terms of reference established. I inquired overnight from the secretary general whether or not it was desirable to give forthwith the details of these terms of reference and directives. The decision of the secretary general, as was the case with the Congo operation is that it is not desirable to make public these directives at this time. This was the course followed, as I say, in the case of the Congo operation. I am satisfied that it is the right course.

Mr. Nesbitt: A supplementary question. Could the minister tell us, if he cannot give us the details of the directives, whether precise directives have been delivered to the Canadian forces on the authority of the secretary general?

Mr. Martin (Essex East): There are precise directives which have been discussed with the Canadian government. They are being made known to the Canadian contributing force in the peace keeping operation by the acting commander, and these will be reaffirmed by General Gyani tomorrow.

Mr. Barry Mather (New Westminster): Mr. Speaker, I have a question for the minister of external affairs. In view of the serious Cyprus situation can the minister inform the house as to the length of time it has apparently taken for the appointment of a mediator, without whom we can have little hope of permanent pacification?

Mr. Martin (Essex East): Mr. Speaker, the appointment of a mediator pursuant to the resolution of March 4 is the responsibility of the secretary general. He has however been consulting interested governments, including Canada. Canada has made some suggestions. The successful functioning of the activities of the mediator depends on the support and co-operation of the two communities involved, as well as on those having treaty rights in the island. I hope there will not be a protracted delay in the appointment of the mediator. I may say that following discussions yesterday a number of foreign ministers will be in Geneva on Monday. We will have an opportunity to discuss this matter further with the secretary general of the United Nations.

[*Later:*]

Mr. George Muir (Lisgar): Mr. Speaker, I should like to address a question to the Secretary of State for External Affairs. Has the name of General Burns been suggested to the secretary general of the United Nations as a possible mediator in Cyprus?

Mr. Martin (Essex East): Mr. Speaker, that name and others have been discussed with the secretary general.

[*Later:*]

Hon. D. S. Harkness (Calgary North): Mr. Speaker, I should like to ask the Minister of

National Defence what supply line Canadian troops in Cyprus are on, or will they be on, and, more particularly, is it the United Nations supply line through Pisa which has been supplying our troops in the Gaza strip and in the Congo?

Hon. Paul Hellyer (Minister of National Defence): They are presently being supplied from Canada until a more permanent arrangement can be worked out.

Hon. Gordon Churchill (Winnipeg South Centre): I should like to ask the Minister of National Defence if the daily rations for our Canadian troops in Cyprus are being flown over from Canada.

Mr. Hellyer: They have been so far, Mr. Speaker.

CANADIAN MEMBERSHIP IN ORGANIZATION OF AMERICAN STATES

On the orders of the day:

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, may I direct a question to the Secretary of State for External Affairs?

Could the minister inform the house about the progress made in the current discussions concerning Canada's admission to the O.A.S.?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, as I said a few weeks ago, this matter is still under consideration.

[*Text*]

CUBA—REPORTED USE OF CANADIAN ENGINE FOR SUBVERSIVE PURPOSES

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): I have a supplementary question arising out of the statement regarding the organization of American states. I should like to ask the minister whether a protest has been received from the organization of American states in connection with the report of an investigation by a committee of the organization to the effect that a motorboat engine, delivered from Montreal to Cuba last October, was used to land a large cache of arms on a beach in Venezuela for subversive purpose. If so, has any investigation been made as to why this motor was not set out in a report of the dominion bureau of statistics for 1963?

Hon. Paul Martin (Secretary of State for External Affairs): I think I will have to take this question as notice.

[Mr. Harkness.]

ADMINISTRATION OF JUSTICE

REQUEST FOR REVIEW OF LEGISLATION PROPOSED IN ONTARIO AND BRITISH COLUMBIA

On the orders of the day:

Mr. R. W. Prittie (Burnaby-Richmond): Mr. Speaker, I should like to ask the Minister of Justice if he will undertake to have officials of his department check the new act affecting the powers of the Ontario police commission which has been introduced in the legislature of that province in order to see whether there is any conflict between it and the bill of rights.

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, I understand that no act has been passed by the Ontario legislature. A bill appears to have been introduced, the tenor of which I have not had occasion to become conversant with directly as yet.

Mr. Reid Scott (Danforth): A supplementary question, Mr. Speaker. Notwithstanding that the bill has only received first reading, in view of its very serious nature I wonder whether the Minister of Justice would consider reviewing the bill and, if he feels that it would be in conflict with the bill of rights, making representations to the government of Ontario before it is passed?

Mr. Favreau: Mr. Speaker, I do not believe it is within my jurisdiction to do so yet, although as a private individual and a member of the bar I have all due right to be immensely interested in the bill as such.

Mr. H. W. Herridge (Kootenay West): A supplementary question, Mr. Speaker, based on a bill that is already passed, Bill No. 14, to establish the British Columbia hydro and power authority, which was recently passed by the legislature of that province. In view of the fact that this precedent shattering bill denies the employees the right to strike and imposes compulsory arbitration, and in view of other unprecedented powers granted the authority under this act, will the minister give this legislation his closest scrutiny to determine whether there are violations of human and civil rights and fundamental freedoms that provide grounds for its disallowance, so that we will not be on the pathway to the state of 1934 nazi Germany?

Mr. Favreau: Mr. Speaker, the gist of the question as now put is somewhat different from that which was stated in the notice which I am thankful to the hon. gentleman for having given me. Without passing judgment on the accuracy or otherwise of the premises on which the question is predicated, I might say that I shall surely look into the question of whether or not the bill infringes any principle and is liable to be disallowed.

DOMINION-PROVINCIAL RELATIONS

TRANSFER TO PROVINCES OF RESPONSIBILITY FOR SHARED PROGRAMS

On the orders of the day:

Hon. Paul Martineau (Pontiac-Temiscamingue): Mr. Speaker, I have a question for the Minister of Finance. Will the minister indicate wheither he is preparing a specific formula which will pave the way for the transfer to provinces so desiring the full financial responsibility for several established shared cost programs of a continuing nature?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, this question is on the agenda for the federal-provincial conference on March 31.

Mr. Martineau: A supplementary question, Mr. Speaker. Have the minister and the government received from the government of the province of Quebec a specific formula, or notice that a specific formula to that end will be proposed at that conference?

Mr. Gordon: Not to my knowledge, Mr. Speaker.

BROADCASTING

COMMUNITY ANTENNA SYSTEMS—REQUEST FOR POLICY STATEMENT

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): I have a question for the Minister of Transport arising out of the report filed yesterday in connection with community antennae. I should like to ask the minister if he could possibly indicate a date when the government will announce clearly its policy in this connection. I ask this because the reaction has been sharp and there are a number of applications piling up in the minister's department, as I think perhaps he is aware.

Hon. J. W. Pickersgill (Minister of Transport): It is the intention of the government to give this matter as urgent consideration as possible for the reasons the hon. gentleman has stated, as well as for many other reasons. But in view of the other preoccupations of the government at the moment I think it would be imprudent for me to try to fix a deadline for the results of such consideration. I can assure the hon. member, and all other hon. members who are interested in this question, that the government does intend to deal with it just as rapidly as possible.

TRANSPORT

PROPOSED FARE INCREASE ON BORDEN-TORMENTINE FERRY

On the orders of the day:

Mr. Heath Macquarrie (Queens): I have a question also for the Minister of Transport.

It is prompted by a disturbing report to the effect that the Canadian National is contemplating increasing the fares on the Borden-Tormentine ferry. Will the minister look into this matter with a view to forestalling such an undesirable, unnecessary and iniquitous event?

Hon. J. W. Pickersgill (Minister of Transport): I heard that there were such rumours, but I am assured by the Solicitor General that they are without foundation.

CHARGE FOR MOTOR VEHICLES CROSSING GOVERNMENT WHARVES

On the orders of the day:

Mr. Fred T. Armstrong (Shelburne-Yarmouth-Clare): Mr. Speaker, may I direct a question to the Minister of Transport. Has the government given consideration to charges on motor vehicles over government wharves?

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, the government decided this morning that it would be more satisfactory to continue the system which was in effect before recent regulations were made in so far as motor vehicles crossing government wharves for ferries were concerned, and the necessary action is being taken to that end.

VETERANS AFFAIRS

POSSIBLE TRANSFER OF HOSPITALS FROM FEDERAL CONTROL

On the orders of the day:

Mr. Eric A. Winkler (Grey-Bruce): I have a question for the Minister of Veterans Affairs. Has the minister received representations from the army, navy and air force veterans of Canada for the province of Alberta, and also the East Coulee branch 173 of the Royal Canadian Legion in regard to the Colonel Belcher hospital in Calgary; and has he changed his decision in this regard?

Hon. Roger Teillet (Minister of Veterans Affairs): Mr. Speaker, in respect to the first part of the question, I would have to check before I reply to see what I have. With regard to the second part of the question, we are still talking with these people and we have reached no decision.

Mr. G. L. Chatterton (Esquimalt-Saanich): Is it the intention of the government, regardless of the feelings of the veterans, to turn over the veterans hospital in Victoria and Shaughnessy hospital in Vancouver to the local hospital authorities?

Mr. Teillet: With regard to Shaughnessy hospital, we have only had an inquiry in

general terms from the provincial government, and that is as far as that has gone. There is no decision and no intention of the government to go farther at the moment. In the case of Victoria, again the province has made the same general representations. Jubilee hospital have asked us to co-operate in establishing certain common facilities there, including the Department of National Defence hospital as well. There are talks concerning that aspect of it at the moment.

Mr. Chatterton: A supplementary—

Mr. Speaker: Order. I doubt very much if the questions asked by hon. members are proper at this time. The reason is obvious. If we go into details on all the hospitals across the country we will never get through our day's business. This is an example of the type of question that opens up a series of answers. I do not believe it is a proper type of question at this time, and should be put on the order paper.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): If I may be allowed, I should like to say a word on this point. I realize the difficulty Your Honour has in this connection, and I would be the last to suggest anything that would cause the question period to be extended unnecessarily.

Some hon. Members: Oh, oh.

Mr. Diefenbaker: But, sir, this problem of dealing so cavalierly with the veterans hospitals is one which is important.

Some hon. Members: Order.

Mr. Diefenbaker: If the minister would be more definite in his statements these questions would not need to be asked.

[*Later:*]

Mr. Robert Muir (Cape Breton North and Victoria): Mr. Speaker, may I direct a question to the Minister of Veterans Affairs. Has the minister received a complaint from the Cape Breton command of the Canadian Legion that beds are not available for treatment of ex-servicemen at Camp Hill hospital, and that too much bed space is being allotted to former mariners and members of the R.C.M.P.?

Mr. Teillet: I did not catch the full implication of that question, Mr. Speaker.

Mr. Muir (Cape Breton North and Victoria): Then I shall repeat it. Has the minister received a complaint from the Cape Breton command of the Canadian Legion that beds are not available for treatment of ex-servicemen at Camp Hill hospital, and that too much bed space is being allotted to former mariners and members of the R.C.M.P.?

[Mr. Teillet.]

Mr. Teillet: Not to my knowledge, Mr. Speaker, but I will be glad to inquire and report to my hon. friend.

AGRICULTURE

EASTERN FEED GRAIN—REPORTED STATEMENT BY MINISTER

On the orders of the day:

Mr. W. H. Jorgenson (Provencher): I should like to ask the Minister of Forestry if he agrees with the Minister of Agriculture, who apparently has usurped his authority under the feed grain assistance program, when he stated in Winnipeg yesterday that he is opposed to an eastern feed grain board, even before the report of the agriculture committee which is studying this problem has been submitted.

Hon. Maurice Sauve (Minister of Forestry): I have not seen this report, and I have no comment to make.

Mr. Jorgenson: I should like to direct a supplementary question to the Acting Prime Minister. I ask him if he will try to stop this range war which is going on between these two ministers, and take steps to prevent the rustling of each other's portfolios.

Hon. Paul Martin (Acting Prime Minister): It is obvious, of course, that there is no justification whatever for the highly imaginative implication in my hon. friend's question.

REPORTED CHANGES IN FARM CREDIT LEGISLATION

On the orders of the day:

Mr. E. Nasserden (Rosthern): Mr. Speaker, I have a question for the Acting Prime Minister. Is it the intention of the government to announce sweeping changes in the farm credit legislation with particular reference to interest rates, as announced by the Minister of Agriculture in Regina the day before yesterday and repeated in Winnipeg yesterday?

Hon. Paul Martin (Acting Prime Minister): Mr. Speaker, the house will well appreciate my satisfaction at being asked a question having to do with agriculture. This is a subject that, as the right hon. Leader of the Opposition knows, has always engaged my very active interest and attention. Of course my hon. friend fully appreciates that any announcement of government policy is always made at a time which the government deems appropriate.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): I suggest, Mr. Speaker, that the hon. gentleman, always being present in his seat, might well be the acting Minister of Agriculture so he would have that authority as spokesman for the department in this house.

Mr. Martin (Essex East): Mr. Speaker, the suggestion of the right hon. gentleman is such that—and I know he will agree with me—we are very fortunate in the person who happens to be the Minister of Agriculture in Canada at the present time.

SHIPPING

GREAT LAKES—INQUIRY AS TO OPENING OF SEASON

On the orders of the day:

Mr. S. J. Korchinski (Mackenzie): I have a question for the Minister of Transport. In view of the several replies from the Minister of Trade and Commerce in connection with box car distribution, and in view of recent developments within the S.I.U., can the Minister of Transport indicate when the shipping season—

Mr. Speaker: Order, please. Would the hon. member please rephrase his question? He is giving considerable information and making statements.

Mr. Korchinski: Can the Minister of Transport indicate when the shipping season on the great lakes will commence?

Hon. J. W. Pickersgill (Minister of Transport): A public statement was made on this matter yesterday and was in all the newspapers, sir.

TRADE

PULPWOOD—REPORTED PROHIBITION OF EXPORTS FROM QUEBEC TO ONTARIO

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): Some time ago I asked the Minister of Trade and Commerce if he was in a position to give the house information on the reported executive order to the minister of trade and commerce of the province of Quebec in connection with the export of unprocessed saw logs from that province to Ontario. Is he now in a position to give us the benefit of his inquiry?

Hon. Mitchell Sharp (Minister of Trade and Commerce): I had some informal conversations with the members of the Quebec administration, and the hon. gentleman may have noticed that the minister, Mr. Cliche, made a statement the other day. That matter is entirely within the jurisdiction of Quebec, and I would refer to the hon. gentleman the answer given by Mr. Cliche.

Mr. Lambert: Do you agree with it?

REQUEST FOR STATEMENT ON UNITED NATIONS CONFERENCE

On the orders of the day:

Mr. R. W. Prittie (Burnaby-Richmond): I wish to direct a question to the Minister of Trade and Commerce concerning the United Nations conference on trade which is opening in Geneva next week. Will the minister take an early opportunity to make a definitive statement to the house on government policy concerning this conference, and on the relationship of this conference to the GATT conference to be held in a month's time?

Hon. Mitchell Sharp (Minister of Trade and Commerce): I had intended to respond to the invitation of the hon. member for Digby-Annapolis-Kings, who invited me to take part in the budget debate. At that time I may have something to say on this matter.

CANADIAN CENTENNIAL

APPROVAL OF OFFICE BUILDING AS NEW BRUNSWICK PROJECT

On the orders of the day:

Mr. Thomas M. Bell (Saint John-Albert): Mr. Speaker, may I direct a question to the Secretary of State. Now that the minister has modified the requirements for centennial grants to the provinces, evidently at Premier Robichaud's insistence, will the minister state if there will be any cultural or confederation aspect whatsoever in the office building at Fredericton, in the New Brunswick proposal?

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, there has been no change in the requirements so far as the federal government is concerned.

INQUIRY AS TO AGREEMENTS WITH YUKON AND NORTHWEST TERRITORIES

On the orders of the day:

Mr. Erik Nielsen (Yukon): As a supplementary question, dealing with the national centennial agreements signed with the provinces, I asked a question of the Prime Minister several days ago. I wonder whether the Secretary of State could now inform the house whether agreements have been signed with the governments of the Yukon and the Northwest Territories?

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, there have been no agreements signed yet with the two councils. The centennial commission is currently carrying on a series of discussions with the commissioner of the Yukon territory and the commissioner of the Northwest Territories in order to arrive at acceptable terms for an agreement similar in spirit to those signed with the ten provinces, concerning the federal-provincial centennial grants program. The initiative now rests with the commissioners of both territories, the centennial commission having presented to them a proposed formula for centennial grants.

Inquiries of the Ministry

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. A. D. Hales (Wellington South): Mr. Speaker, my question is directed to the Minister of Labour but possibly in his absence his parliamentary secretary would take it as notice. It has to do with the proposed campaign to circulate application cards throughout Canada for social insurance numbers. Has the minister authorized the distribution of these cards and, if not, under whose authority are they being distributed?

Mr. J. A. Byrne (Parliamentary Secretary to Minister of Labour): Mr. Speaker, I shall be pleased to bring this matter to the attention of the minister.

INDUSTRY

INQUIRY AS TO SETTING UP OF CANADA DEVELOPMENT CORPORATION

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Finance. What has happened to the Canada development corporation, which was proposed on the order paper last session but to which the minister made no reference in his budget speech? Will it be brought forward later this session?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, it will be brought forward at the appropriate time.

NATIONAL PARKS

INQUIRY AS TO DEVELOPMENT POLICY

On the orders of the day:

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, may I direct a question to the Minister of Northern Affairs and National Resources. I would like to ask him whether his department has issued any new policy or new directive respecting development in the national parks, and if so, could the house have a copy of it?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Not yet, Mr. Speaker, but we intend to do so. As a matter of fact, during the last couple of days we have had nine superintendents of the western parks at a conference in Calgary at which a great deal of discussion and time was devoted to the question of the management and direction of the parks. We intend to incorporate this in a written document.

[Mr. Lamontagne.]

CANADIAN NATIONAL RAILWAYS

MATANE-STE. ANNE DES MONTS— CANCELLATION OF PROJECT

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I wish to direct a question to the Acting Prime Minister. In view of the numerous representations made following the decision to abandon the project to build a railway in the Gaspe peninsula, does the Acting Prime Minister intend to use his influence and diplomacy to convince the government of the importance of that project for Gaspe's economy.

Hon. Paul Martin (Acting Prime Minister): Mr. Speaker, the answer is obvious.

Mr. Pigeon: A supplementary question, Mr. Speaker.

Now that the Acting Prime Minister has given a diplomatic answer, he might come back to the political level and tell us if his reply can be taken to mean that he will use his influence to have that project carried out?

Mr. Martin (Essex East): Mr. Speaker, I will be very happy to discuss that matter with the hon. member whenever he has time to do so. But I feel this is not the right time.

[*Text*]

REQUEST FOR IMPROVEMENT IN POSITION OF RETIRED EMPLOYEES

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Transport and ask him if he is yet in a position to answer the question I put to him three weeks ago yesterday, on February 27, having to do with the position of former employees of the Canadian National Railway who are already retired. The minister said he would discuss the matter with Canadian National and make a report to the house. Is he yet in a position to make that report?

Hon. J. W. Pickersgill (Minister of Transport): No, sir.

Mr. Knowles: May I ask the minister whether he will treat this matter with the urgency it merits and make a report at an early date?

Mr. Pickersgill: I will certainly do that.

POST OFFICE DEPARTMENT

REDNERSVILLE, ONT.—INQUIRY AS TO OPENING OF OFFICE

On the orders of the day:

Mr. A. D. Alkenbrack (Prince Edward-Lennox): Mr. Speaker, may I direct a question to the Postmaster General. When does he intend to open a post office in the village of Rednersville, Ontario, in accordance with the agreement to do so made by his predecessor last November?

Mr. Speaker: Would the hon. member put this question on the order paper?

GRAIN

MANITOBA AND SASKATCHEWAN—REQUEST FOR INCREASED QUOTAS

On the orders of the day:

Mr. R. R. Southam (Moose Mountain): Mr. Speaker, on Thursday, March 12 I directed a question to the Minister of Trade and Commerce, and in his absence the Minister of Agriculture took notice of it. I should like to repeat it now. In view of the existing low grain quotas in the western area of Manitoba and the eastern area of Saskatchewan, would the minister ask the Canadian wheat board to pay special attention to those areas immediately upon the opening of spring navigation on the great lakes?

Hon. Mitchell Sharp (Minister of Trade and Commerce): I did so, Mr. Speaker, and the board is giving attention to this problem.

AIRPORTS

CALGARY—DANGER FROM PROPOSED RADIO TOWERS

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, may I direct a question to the Minister of Transport. Does he intend to consult with national aviation organizations with respect to the hazardous structures intended to be erected by the C.B.C. near Calgary international airport?

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, I have no such present intention, but of course I can look into the problem.

LOTTERIES

INQUIRY AS TO AMENDMENT OF CRIMINAL CODE

On the orders of the day:

Mr. Barry Mather (New Westminster): I have a question, of which I have given notice, to direct to the Postmaster General. In view of the fact that this is Irish sweepstake week end and that thousands of Canadians have used the postal facilities in connection with these illegal tickets, as they have done for 30 years or more, does the minister not think it is time we took a more realistic look at sweepstakes and made the law conform with the public practice rather than trying vainly to make the public conform with the law?

Hon. J. R. Nicholson (Postmaster General): I appreciate the courtesy of the hon. member in giving me notice of this question, but I am sure that on reflection he will agree that this matter is one of government policy, and if the government has any change of policy to announce it will do so at the appropriate time.

[*Translation*]

Mr. Jean-Pierre Cote (Longueuil): Mr. Speaker, I should like to direct a question to the Minister of Justice. Could he tell the house what position the federal government would adopt if a province were to organize a provincial lottery before the amendment to the Criminal Code?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, I have no intention of dodging the question, but it is hypothetical at this time.

[*Text*]

HOUSE OF COMMONS

"HANSARD" DESIGNATION OF LANGUAGE SPOKEN BY MEMBERS

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a question of privilege. I may say it has to do with a matter which I have discussed with the editor of *Hansard,* who shares my concern. I raise it now in the hope that other hon. members may have suggestions to make to meet the problem.

Since the English edition of *Hansard* was revised so that it appears entirely in English, it has become necessary to indicate whether a member's words are recorded in the language in which he spoke or whether they are a translation. As hon. members know, there appear in *Hansard* repeatedly the words "translation" and "text". Yesterday, for example, you, sir, intervened at a certain point in our proceedings which were being conducted in French. Since you spoke at that point in English, the word "text" appears just over your words as reported. We know what this means, but it almost looks as though you were handed a text of what to say.

In my own case, I have on occasion made a speech—and I believe hon. members know that I do not use a manuscript; frequently I do not even use any notes—following an hon. member who has spoken in French, and on such an occasion the word "text" appears over the report of what I have said. I suggest that this gives rise to a false impression; it is something we should make an effort to have corrected. I know the editor of *Hansard* is concerned about it, and I hope somebody may come up with a suggestion as to how the possibility of misunderstanding might be removed.

THE BUDGET

ANNUAL FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The house resumed, from Thursday, March 19, consideration of the motion of Hon. Walter L. Gordon (Minister of Finance) that Mr. Speaker do now leave the chair for the house to go into committee of ways and means and the amendment thereto of Mr. Nowlan, and the amendment to the amendment of Mr. Cameron (Nanaimo-Cowichan-The Islands).

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, in the first part of my remarks yesterday, I mentioned the financial position of this country, of its boards, corporations and intermediate bodies, and I stressed their rather disastrous position, because of the huge size of the federal, provincial, municipal, industrial, individual and school board debts.

Mr. Speaker, I also mentioned that the federal government had ceased to be an administrative or legislative body to become a loan institution: loans to municipalities, farmers, students, business, Indians, immigrants, veterans, and so on.

Now, Mr. Speaker, I should like to dwell a little on loans to students, simply to congratulate those most concerned in the matter, that is the students themselves, who have the greatest need of those loans, but having realized that this government bill was a direct impingement on the educational field, which comes under provincial jurisdiction, they had the courage to oppose and refuse those federal loans. I shall quote the words of Mr. Robert Bazinet, vice president of the general student association of the University of Montreal, who, speaking on behalf of that association, said:

> If Ottawa offers loans to students (although this field is reserved to the provinces) it means they are not short of funds.

That is the paradox nowadays; the federal government is prepared to offer money to students, a matter not within its jurisdiction, but is neglectful of its responsibilities in various other matters.

Mr. Speaker, what is the present economic situation in this country?

It is realized that our industries, our manufacturing plants, our natural resources are in the hands of foreign financial interests in a proportion of 70 to 75 per cent while, on the other hand, Canadian citizens are merely employees, in view of foreign control of our industries and natural resources. That is the situation in Canada.

Mr. Speaker, foreign interests control our natural resources and our industries, while Canadians are merely wage earners.

What is the economic situation in this country?

We have an increasing number of bankruptcies. With the spreading of automation, there is little job security. Faced with such a situation, our governments do nothing to provide new jobs.

What is the real situation in this country, Mr. Speaker?

We just found out that our farmers, at least eastern farmers, have an average annual income of $1,800. But for tens of thousands of farmers, that average annual income barely comes to $1,200.

We are talking about unemployment, Mr. Speaker, but figures in this regard have been distorted. Only people not receiving unemployment insurance benefits are now included in the figure, although there are as many if not more Canadian citizens who are not taking advantage of such benefits and have to be satisfied with social assistance benefits. Therefore, figures supplied by the Department of Finance are basically false since the actual data should include those receiving unemployment insurance benefits or social assistance benefits, for the latter too are unemployed.

Such is the true situation in Canada; there are more unemployed than reported, because relevant figures are concealed.

A professor from the University of Montreal, Mr. Andre Patry, stated recently:

> Foreign investments in Canada are now close to $25 billion and 80 per cent of them are American. They represent 60 per cent of the national income in our country;

Sixty per cent of our national income is controlled by foreign interests.

And Professor Patry added:

> In the United States, foreign investments have never exceeded 15 per cent of the national income.

Here is another quotation, Mr. Speaker:

> Professor Hans Selye, directer of the institute of experimental medicine at the University of Montreal

has just stated: "Fifty per cent of my students who have obtained their doctor's degree at the University of Montreal are now working abroad".

Fifty per cent of the students who have obtained their doctor's degree in experimental medicine from the University of Montreal are working abroad.

The Minister of Citizenship and Immigration (Mr. Tremblay) told us the other day that unemployment in Canada is due to a shortage of skilled labour.

As a matter of fact, our skilled labour, especially skilled workmen who engaged in research and obtained university degrees, are unable to make a living in Canada; that is why half of them go and seek jobs in other countries.

The latest brief of the Canadian federation of labour unions reads as follows:

Industrial research takes place in the United States. Such a procedure deprives us of our own technology and drains our country of its scientists for the benefit of the United States.

Such is the economic situation in our country. Canada is unable to provide jobs for its scientists who have to seek employment elsewhere and, as a result, our scientists are unemployed in Canada.

Yesterday, I had the opportunity to outline a particular situation in the house, namely the national debt, as well as the fact that Canada is getting everybody into debt.

That outline seemed to rouse somewhat the imagination of members of the house, since they asked us to suggest a solution to those problems.

This solution can be found through an adjustment of our Canadian monetary system. At present in that field the situation is such, that at all levels, the government as well as individuals are still at the mercy of the credit controllers of our country.

Those who control money and credit in our country govern its expansion, as well as the governments, the industries and the people. Such a situation still prevails at this time.

That is why in Canada, government and individuals alike are crawling in the front of credit controllers so that they might carry out their operations.

I mentioned yesterday that the debt in our country is higher than the money resources or money supply in circulation. Why? Because the credit controllers want to keep the government in bondage, and the whole country under their thumb in order to control them better and make them act according to their own sweet will.

I am asking the Minister of Finance (Mr. Gordon) what would happen if tomorrow the federal government creditors were to ask him to pay off his debts? The Minister of Finance would not be able, even by scraping all the money in the country, to find enough to pay them off.

Therefore, he would have to sell the properties of all the citizens of Canada to be able to pay the debt of the federal government. In the circumstances, where is the security of our industries, our businesses and our people?

I see that one of our hon. friends opposite is yapping. I ask him what he would do if the Minister of Finance told him to sell his own property to pay the debts of the country or the government? He would be the first to protest strongly—

An hon. Member: He would stop being a Liberal then.

Mr. Gregoire: And he is only one man. But the situation is the same for each and every Canadian citizen.

Some hon. Members: Oh, oh.

Mr. Gregoire: There is someone who does not seem to know much because he never rises from his seat—

An hon. Member: Some unknown member.

Mr. Gregoire: —I cannot even mention his riding, Mr. Speaker, because I do not know it. He never rises; we have never heard him say a word.

Mr. Fisher: Shame, shame.

Mr. Gregoire: Here is the solution. Let us take away from some individuals the control of our country's credit and give it back to a sovereign state which will have full use of its money through the Bank of Canada. At the present time, the chartered banks control the country and have only one aim, to make profits out of the government and the public accounts by creating money to lend it later to the government and the public bodies. Those people also make profits and become wealthy on our taxes and contributions. That is the first disgraceful thing which it is imperative to denounce and which has to be tackled in the first place.

We are, and always will be, a colony from an economic point of view, as long as we have no sovereign government actually controlling credit in this country.

Once the government controls its own credit, the whole country, industry and every individual will benefit because by exerting such control, the government will not only seek profits, but also develop this country and ensure the well-being of each and every citizen in Canada.

This is the solution to the problem: take over the control of what I would call the most important instrument of development

for this country, that is control of money, control of credit, which the government relinquished to a few profiteers who are making money by keeping the people in abject poverty.

Mr. Speaker, I would like to say a few words regarding federal-provincial tax relations.

I took note of some figures indicating the chief expenses of the federal and provincial governments, to prove that at this time, the provinces have precedence over the federal government. If anybody asks what are this country's needs at the present, the answer is: education. Now what does the federal government spend for education?

The last relevant figures—for 1963—were published somewhat belatedly as usual, in the Canada Year Book 1963-64. Those statistics show that, in 1960, the federal government appropriated $64,480,000 for education, whereas the provinces and the school boards which come under the municipalities spent $1,513,945,000, that is 26 times as much.

This clearly shows that the provinces did more than their share in that respect. The provinces have larger needs, but they have had more expenditures.

The second main item at this time, among our priority requirements, is national health. What were in 1960, the federal government expenditures for national health? They amounted to $267,222,000 while the provinces and municipalities had total expenditures of $574,128,000, that is twice as much.

And for transportation, the federal government spent $104,964,000, while provinces and municipalities spent $1,070 million, that is ten times as much.

As far as the protection of individuals and properties is concerned, the federal government spent $79,185,000 while the provinces spent $308,429,000, that is five times more.

Well, Mr. Speaker, for those four items, the most important ones in the social life of this country, the provinces and municipalities spent a total of $3,526,877,000, while the federal government spent $515,843,000, that is seven times less than the provinces.

Mr. Deputy Speaker: Order. I am sorry to interrupt the hon. member, but his time has expired.

Mr. Gregoire: Mr. Speaker, if the house is willing to give unanimous consent, I need only three or four minutes.

Some hon. Members: No.

Mr. Gregoire: As nobody is objecting, Mr. Speaker, I shall carry on.

Mr. Deputy Speaker: The hon. member is well aware that he cannot carry on without unanimous consent of the house.

[Mr. Gregoire.]

Some hon. Members: No.

Mr. Gregoire: Mr. Speaker, I heard no objection.

Mr. Deputy Speaker: Order. Does the house unanimously consent to the hon. member for Lapointe carrying on his remarks?

Mr. Loiselle: No. He only repeats himself.

Mr. Jean-Charles Cantin (Quebec South): Mr. Speaker, a distinguished member of our press gallery qualified the budget with a simple but very proper word when he said:

In short, it is a...reasonable budget.

This budget is no more interesting than the uneventful life of a happy family. The minister puts the emphasis on youth by encouraging studies. The budget will also help boost the economy in designated areas. But with regard to the financial situation in our country, the budget reflects prosperity and there is nothing mysterious about that. Under the direction of an industrious and alert minister, the only thing Canadians have to do is to work and reap the fruits of their labour.

Mr. Speaker, I know that, traditionally, the budget debate gives hon. members the opportunity to express their views on any point of this important document, which relates to the immediate needs of their own riding.

If I somewhat deviate from normal practice today, it is because for nearly a year now I have had the privilege of serving Canada as parliamentary secretary to the Minister of Transport (Mr. Pickersgill). That appointment entailed a certain amount of work, but it opened my eyes, as a citizen of Quebec, to the major role played by crown corporations in our province.

In many quarters, criticism has been voiced recently against the activity of the federal government and of its corporations as regards the past, the present and the future of Quebec. However, one merely has to examine the facts with an open mind, objectively and without partisanship, to see that there is a great difference between such allegations and reality.

As parliamentary secretary to the Minister of Transport, I have been in a position to check the facts. Today, I should like to report my findings to my Quebec colleagues on both sides of the house. I shall speak mostly of the Canadian economy and national unity. If, nowadays, one can state publicly without any supporting evidence that separatism is possible socially, politically and economically, it might be appropriate to remind the people that figures also have a meaning. The budget gives the government's sources of income and it indicates that federal funds are used not only for the administration of the country,

but also to carry out the program of the government, whose outstanding objective is national unity.

During the debate on the address in reply to the speech from the throne, the majority of speakers have referred to the matter of national unity. It is probably because the centennial of confederation is just around the corner and also because there is in Quebec a general awakening of nationalism resulting in vocal extremist movements where sentiments take precedence over reason.

Moderation when making public statements is the advice I gave to all my constituents at the beginning of 1964. I feel that in this way right-minded Canadians will find a solution to the problems facing national unity.

A couple of weeks ago during a debate over television on the issue of Quebec claims inside or outside confederation, one of the English speaking panelists exclaimed in an outburst of impatience:

Remember 1759.

A good answer would be: Remember 1812, remember Chateauguay, when the stand taken by French Canada made possible, through the constitutional acts which followed, the founding of our great country. For French Canadians, it meant reconciliation and hope.

And this leads us to take stock of the centennial of confederation. As far as relations between French and English Canadians are concerned, there is certainly a resolute movement in Quebec to affirm in the face of Canada and of the world its cultural heritage, its will to share in the economy and its new awareness as a social group. If one attempts to find solutions to the problems which jeopardize our relations, one must take those elements into account.

And there must also be understanding from English Canada which, in this North American continent where the majority of people speak the same language, is not faced with the obligation of creating favourable conditions to ensure its own survival. However, this is no reason why we, French Canadians, should refuse to engage in a dialogue and deceive ourselves to the point of failing to recognize the cultural, economic and social advantages that our federal system has meant to our group.

I should like to restrict myself today to a single example of this principle, namely the economic contribution of the C.N.R. to the provinces of Quebec. All federal crown corporations were originally set up to ensure the well-being of all Canadians and of every province.

Although I intend to limit my remarks to the contribution made by the Canadian National Railways to the province of Quebec, needless to say the Canadian National Railways have also contributed to the development of every other section of the country. This is self-evident. But some people tried so hard to minimize that contribution to the province of Quebec that it may be advisable to try to show the true importance of this contribution to our province. I wish more particularly to point out that the government of Canada has nevertheless done something, and often a great deal for each of the provinces, including Quebec. When listening to some extremists who speak out of turn, we get the impression that Quebec was only a victim in confederation, whereas even if everything is not perfect, there are nevertheless assets which an objective mind cannot and must not ignore.

The Canadian National Railways play an important part in the economy of the province of Quebec.

In 1962, the C.N.R. numbered in the province 21,994 employees, whose salaries and wages represented over $120 million.

These salaries and wages alone represent a strong measure of support for Quebec's economy. Nevertheless, they represent only part of the contribution of the system to the general development.

Besides salaries and wages, the C.N.R. paid out in 1962 $1,443,054 in sickness and social security insurance benefits, in addition to $595,079 under the workmen's compensation act, and $5,412,927 to its Quebec retired employees or their dependants.

During 1962 alone, the purchases made by the C.N.R. in the province of Quebec amounted to $89 million.

The Queen Elizabeth hotel alone, which belongs to the C.N.R. and which is operated by Hilton of Canada Ltd., cost $7,125,000 in expenses of all kinds including salaries, new equipment and material.

We must not forget taxes either. In 1962, the C.N.R. paid the province and its municipalities $4,646,680 in sales taxes, land taxes and others.

Since the war, the railway has built more mileage of tracks in Quebec than in all the other provinces combined. That permitted the development of Quebec's natural resources accordingly.

The first project was the 39-mile long branch line which connects Barraute and Beattyville since 1949. Over the last years, the C.N.R. has added 161 miles of tracks between Beattyville and Chibougamau, another 133 miles between Chibougamau and St. Felicien and, more recently, it inaugurated a new line 61 miles long to Mattagami. This is a total of 394 miles costing $46.5 million.

The rolling stock—railway cars and engines— involves, of course, on the part of the railway company, continuous expenditures which have become a heavier burden. Since the end of the war, the C.N.R. initiated a comprehensive program so as to modernize its equipment, including dieselization. Since 1946 the cost involved in this program, as far as the Canadian lines are concerned, amounts to $798,740,103 and almost 44 per cent of this amount, this is $353,083,637 have been paid to Quebec industries.

During that same year, Quebec dockyards built five ships for C.N.R. services. Included in those ships, was the *Abegweit* ferry operating between New Brunswick and Prince Edward Island; it was built in the dockyards of Marine Industries Limited in Sorel. Canadian Vickers Limited built the *William Carson* operating a shuttle service between Newfoundland and Nova Scotia, and Davie Shipbuilding Limited constructed the *Bluenose* which now carries passengers and automobiles between Nova Scotia and the state of Maine. Those ships have cost $23.5 million.

The inauguration of the Queen Elizabeth hotel in 1958, the largest in Canada, was one of the greatest achievements of the C.N.R. which has spent $25.7 million to build and equip the hotel, the only one it has built in the past 20 years.

It is the fourth building to be erected on C.N.R. property in the area of Central station, in the heart of Montreal, and the third built by the company in that section.

The first building to be erected was the Central station which is still the most functional of the larger passenger stations in North America and which will become even more important when the C.N.R. has completed the construction of the huge building complex now under way or in the project stage. Built at a cost of $27.5 million, the station was inaugurated in 1943. In 1950, the C.N.R. completed the construction of the international aviation building at a cost of $4 million; it houses the head offices of various aviation companies and international air transport associations. The third was the Terminal Centre building erected by private interests at a cost of $4 million.

The fifth building in that group, the new C.N.R. headquarters which the staff has occupied since May 1961, cost $17.5 million.

The C.N.R. invited private enterprise to share in the development of its remaining real property located south of Lagauchetiere street.

The development of this land has raised such great interest in financial circles that Dorchester street, between Windsor street and Beaver Hall Hill, is destined to become the most dynamic cultural and business section in North America and the most remarkable architectural achievement on this continent.

Knowing perfectly well how important was the site of the Central station and the property around it, the C.N.R. wish to promote its logical development in co-operation with private enterprise. It did so jointly with Webb and Knapp (Canada) Ltd., which drew up a master plan for the whole 23 acres and leased the seven acres located north of Central station, where the said company built the complex called "Place Ville-Marie".

That group includes the largest office building in Canada, multi-level parking, an esplanade, stores, restaurants, theatres. The project cost about $105 million.

The largest electronically-controlled hump yard in the world was inaugurated in Montreal in 1961. It cost the C.N.R. $32 million and helps greatly to speed up and improve the services for shippers and buyers of merchandise in Montreal and elsewhere in Quebec. The C.N.R. spent some $17 million to provide for a detour from Victoria bridge in Montreal, following the building of the St. Lawrence seaway. The main by-pass which at present goes through the town of Lachine cost $5 million. It eliminates a series of level crossings and thus provides an access road on the western side of the hump yard.

The C.N.R.'s industrial development service has played a major role in the establishment of enterprises in Quebec. In 1958, the C.N.R. built a five-mile branch line at Pointe Claire, near Montreal, to add 1,406 acres of land to an industrial district. Sixty nine sites were sold and 35 industries were built up. There are still approximately 923 acres left for the industrial complex which the C.N.R. is putting up, six acres of which will be occupied by a $75 million building that will be known as Place Bonaventure.

In 1959, at Candiac, on the south shore of the St. Lawrence river, opposite Montreal, the company built a spur line so as to permit the development of a 550-acre area suitable for industry. Six large concerns bought 100 acres of land along the railroad and many smaller firms settled there.

The railway company extended an industrial branch line from Leduc boulevard, in Montreal island's eastern section, to serve the B.P. Refinery Canada Limited Company. Later on, the C.N.R. used this branch line to allow the expansion of another industrial area of a thousand acres in Ville d'Anjou. As a result of those projects initiated by the C.N.R., some industries are now provided with private railroad lines.

The C.N.R. advised a great number of Quebec municipalities on the choice of sites suitable for setting up industries and laid

out the most suitable railway routes. Petite Riviere, St. Romuald, Sherbrooke, St. Eustache, St. Eustache on the Lake, St. Jerome, Mattagami, Chambly, Valleyfield, Varennes and Vercheres have thus new industrial areas, the size of which varies between 50 and 1,000 acres.

The Varennes-Contrecoeur-Tracy area seems assured of a prosperous industrial future because of the tremendous commercial development initiated by the Canadian National Railways.

The increase in the Canadian National Railways facilities and services is parallel to the Quebec industrial development. For instance, in 1962, the company's industrial development department contributed to the establishment of 55 industries—which became customers—by building 12½ miles of private branch lines and tracks in addition to the new C.N.R. tracks built in Quebec.

The C.N.R. and the C.P.R. have installed and are operating jointly a microwave system which enabled the cities of Sherbrooke, Three Rivers, Quebec, Rimouski, Jonquiere and Carleton to be linked to the C.B.C. French television network. The C.N.R. telecommunications have also set up other facilities to connect through microwaves Saint Arsene and Riviere du Loup, thus enabling the C.B.C. French network (Montreal-Moncton) to extend its services to a new station of the T.V. network established in Riviere du Loup.

The C.N.R. telecommunications have already connected cities such as Montreal, Sherbrooke, Chicoutimi, Granby, Three Rivers, Noranda, Quebec, Thetford Mines and Senneterre to its Telex system. At the end of June 1963, there was in Quebec alone, approximately a thousand subscribers who could obtain instantaneous and printed communication with 9,700 other customers in Canada and in the United States.

The Canadian National Railways have recently set up in Montreal, for the first time in Canada, a new semi-automatic system for rerouting telegrams to speed up their delivery.

In 1962 the C.N.R. telecommunications took a significant step ahead when in co-operation with the C.P.R., the development of a Montreal-Vancouver microwave system was undertaken at a cost of $36 million. The gigantic undertaking provided for the RCA Victor Company of Montreal a $12 million contract for the purchase of electronic material.

In order to provide the national defence department with telecommunication facilities, the C.N.R. invested $5 million for the development of repeater stations in Chibougamau and Miquelon, and for the extension of the C.N.T. building in Senneterre.

I only reviewed the C.N.R.'s major achievements and expenditures. During the same period, hundreds of smaller projects and improvements were carried out in Quebec.

To summarize, these last few years, the C.N.R.'s capital expenditures in the province of Quebec alone came to $568,460,637, while the expenditures of private corporations established on C.N.R. properties came to $677,460,637. As regards the C.N.R.'s operating expenses for the year 1962, and in the province of Quebec alone, the figure is $203,260,740.

As far as the promotion of French Canadians within the C.N.R. is concerned, I refer to the Gordon report already tabled in this house, to add that since that time, the C.N.R. has appointed a new vice president in the person of Mr. Pierre Delagrave, whose leadership and imagination were at the basis of the modernization of the C.N.R. passenger service.

We have there, I believe, somewhat of a reply to those who readily state, without proof, that separatism is possible from an economic point of view. It might be interesting to extend this study to all other federal corporations and government services. Quebec's economy would be tragically affected through the loss of those customers and services, even though the railway service would be maintained, but entirely at the expense of the people of Quebec. Mr. Speaker, figures also speak for themselves and this account of relations between French and English Canadians must be added to the historical, political, social and purely human values given to us by confederation.

[*Text*]

Mr. G. W. Baldwin (Peace River): Mr. Speaker, as I take advantage of this opportunity to participate in the budget debate and cast my few pearls of wisdom before the crowded treasury benches opposite, I wish I could utter a few words of kindness to the minister. However, try as I might the best I can say of this budget is that it is not one to excite the daring and, despite the fact he waved the ministerial wand lightly over the Scotch whisky, it is hardly a budget to intoxicate the sober.

I am going to deal mainly, Mr. Speaker, with the question of trade and commerce, because it is inextricably bound up with the budget and with fiscal and financial policies. I propose to deal with this question if time permits, and I hope this does not sound like a threat, as it relates to external trade, possibly commonwealth trade and definitely domestic trade and commerce.

I must say that so far as the government's position is concerned it reminds me of something which, if it were genetically possible, would be the result of crossing the proverbial

ostrich with the colourful figure from Dickens, Mr. Micawber, and this creature were then to sit on the treasury benches opposite. In so far as this question of trade and commerce is concerned, the government has buried its head deep in the sand, while the winds of change blow over that part of its anatomy exposed to them; and the only words we can hear the government uttering are the immortal words of Mr. Micawber, "I do hope that something is going to turn up."

In so far as the budget relates to trade and commerce, for example, I do realize that the minister has refused to provide for any tax cuts. In doing so he has given what he thinks are proper reasons for this course, and they are recorded on page 976 of *Hansard*. These may be sufficient in one sense of the word, and I think they probably are. Nevertheless, sir, we cannot escape from the fact that over the next year or so the question of our foreign trade is going to be of the utmost importance. It appears likely, on the eve of this great gathering in Geneva, that there are going to be concessions made. Many nations are committed to this principle, and I do not think there can be any withdrawal from it. However, in so far as the conditions, terms and timing are concerned, these things will depend upon the negotiations, upon the skill of the negotiators and the manner in which the negotiations are conducted.

It seems to me, however, that Canada is singularly unprepared to enter into this negotiating area. If the minister had seen fit to include in his budget selective tax concessions which could have been designated and related to price reductions, this would have strengthened our position tremendously. Eventually during the course of these negotiations, which are going to progress over the next year or so, we are going to receive concessions; we are going to ask for concessions, and I am sure we are going to have to reciprocate. Manufacturers in Canada will, in all likelihood, be unable to reduce prices having in mind the failure to provide these tax cuts. There are certain indications in the budget and in the estimates that the cost of government is rising and is going to continue to rise, and the present administration gives no sign of relief in this field.

The United States has provided for tax cuts, I think in the amount of $11.5 billion for the next short period of time. There is no doubt at all that these concessions will be reflected in lower prices for many of the commodities produced by the United States with which our goods will have to compete. The minister has said that even without tax cuts there is still a comparison between the situation in the United States and the situation here. That is not good enough. We will have to be able to face the competition which we are bound to meet from the lower prices of the American goods which are bound to follow these tax cuts. I think this is a weapon which the minister should have made use of, and I fear we may yet regret and live to rue the day that selective concessions of this kind were not included in the budget.

I now wish to make reference to the position which has been indicated with regard to Japan. On March 11 last, as recorded at page 795 of *Hansard* for that date, I asked the Minister of Trade and Commerce:

> Is it correct...that the Canadian government has requested Japan to reduce its quotas on a number of commodities exported to Canada as far as 1964 is concerned.

The minister's reply was:

> —negotiations are now proceeding with the Japanese government on the voluntary restraints which have been in effect for some years now. I do not think it would be appropriate for me to add anything to that at the present time.

This is obviously an admission that our government has requested Japan to reduce further the quotas, or voluntary restraints as the minister described them, which now exist. I am sure if this had not been the case the minister would have said so. I have in mind the favourable balance which now exists so far as Canada is concerned. I have just obtained information from the Department of Trade and Commerce that for 1963 total Canadian exports to Japan were in the order of $297 million, while imports from Japan to Canada were only $130 million.

I have heard all the trite arguments as to why we should ask the Japanese to permit us to enlarge our trade with them and at the same time say they must reduce their exports to us. But I think these are all specious arguments and at this particular stage, on the eve of this great international bargaining, we are guilty of a very serious omission if we engage in this dangerous exercise in international trade relations.

Some comment could also be directed to our trade relations with China. In the 1962-63 report of the Canadian wheat board covering that crop year reference is made to our agreement with the People's Republic of China, and on page 13 of the report we find this statement:

> All deferred payments in connection with the above agreement—

That is, the sale of grain.

> —have been honoured on or before the due date. As of July 31, 1963 the balance outstanding was $51,361,329. By September 9, 1963 this entire amount has been prepaid.

In other words our Chinese customers not only made good their payments on due dates but prepaid over $50 million well in advance

of the due dates. To me this seems to constitute an irrebuttable argument to those who have said these were not good sales, that we should not proceed with them, and that a mistake had been made. But it is simply not good enough to take this as the status quo. I think those who say our sales to China will be determined only by weather conditions and by the vicissitudes of Chinese agriculture overlook the fact that our proximity to China indicates this will be a continuing trade; but for it to be so, there must be reciprocal steps taken. We must be prepared to encourage a reasonable flow, an increasing flow, of Chinese goods into Canada. This is a suggestion which the Minister of Trade and Commerce should take into consideration, and I would hope when the hon. member for Qu'Appelle (Mr. Hamilton) returns from his visit to China, that on a non-partisan basis he will not hesitate to make use of the information which has been obtained in that way.

I want to speak very briefly, Mr. Speaker, about the question of commonwealth trade. In doing so I support the position taken by the hon. member for Digby-Annapolis-Kings (Mr. Nowlan) who indicated that the government was entitled to be criticized for its failure to do anything about it and for taking a negative attitude. A series of articles has been appearing in the *Christian Science Monitor* by S. C. Leslie, formerly head of the information service of the British treasury, who has given some study to this subject following the collapse of the British efforts to enter the common market. I am not going to take the time to analyze these, but before I give some of the conclusions Mr. Leslie has arrived at I wish to say that those who either suggest or acquiesce in the view that we should write off the commonwealth of nations forget there are several things in favour of the commonwealth.

First, it is in existence. Second, it has a tradition, an experience and an accumulated knowledge derived from the participation of many nations over a long period of time. Third, it is important in its association which covers countries, peoples, races and religions all over the world, something that we will have to learn to do if we are to get along together. For that reason I think there should be every effort to make the utmost use of the commonwealth of nations now in existence. Having said that, I want to put on the record a few concrete suggestions which Mr. Leslie makes with regard to the economic aspects of the commonwealth. He says:

> On the economic side, the proposals that have been responsibly put forward include (1) an export council with regional subdivisions... (2) a development council to analyse, discuss and coordinate plans for growth; (3) a commonwealth bank... (4) more collaboration in maintaining the central reserves and more co-ordination of balance of payments policies among the members; (5) long term bilateral trading arrangements not involving tariff changes; (6) the adoption and active promulgation of a more ambitious program of financial and technical aid, with specific targets; (7) and finally, and in the long run perhaps the most important of all, the resolute development and extension of the network of educational links, exchanges, and assistance programs, which are part of the very fibre of the partnership: a commonwealth university has been mentioned.

I put those forward as very reasonable, very logical and very attainable objectives.

Now, Mr. Speaker, in the time left to me I wish to deal with the question of domestic trade, and I wish to limit my remarks particularly to the problem which has been raised as a result of steps recently taken by the Quebec government in what I think has been improper action, both legally and otherwise, in banning the export of lumber. I shall also refer to the statement made by the Minister of Trade and Commerce today. The question may be asked, why should I bring this subject up? Well, I come from a constituency many thousands of miles away. For that reason I am probably better equipped to do it because it cannot be said I have any interest, either on behalf of myself or my constituents, in this particular aspect of what is a very serious problem.

Then I come from a constituency which has experienced precisely the same problem that I think has motivated the Quebec government to do what it has done. For years, in fact even for generations, in my area we had to sit helplessly by while primary products of agriculture and of the forest, and in addition mineral products, were extracted and taken from our district to other provinces and other countries where the final steps in processing them were completed. As a result we lost much. We lost many of our young people who saw no future in remaining in the north country, and to whom a high school graduation certificate was simply a one way ticket out of the country.

But since 1957—and I hope I am not being overly partisan when I say this—due to the policy instituted by the previous government, this has changed. I think railway history will probably be made in the not too distant future, because I am given to understand that the Great Slave railway is only a short distance from the Northwest Territories, and when it reaches there it will be the first time a railroad has been constructed to connect the Northwest Territories with the rest of Canada.

I have every sympathy for the people who were affected by this order of the Quebec government and with those who hope to benefit by it, but I submit this has to be done in a way which is within the law and

within the framework of our constitutional process. There is a great reservoir of understanding and sympathy for the reasonable and legitimate aspirations of the people of Quebec. This exists, I think, all over Canada and I would hate to see it spoiled by what I can only describe as occasional chauvinistic and provocative actions on the part of the government of that province.

With regard to the constitution, I am not one of those who hold that it is sacred and cannot be changed. As one hon. member said earlier, laws are made for people and people are not made to be regulated and adjusted for the convenience of laws. As a matter of fact I have on the order paper a resolution proposing what I believe to be a reasonable way of dealing with and amending the constitution and of putting before the people of this country suggestions along those lines.

But apart from other considerations, the question of trade is vital. Section 121 of the British North America Act provides for the free movement of goods between provinces. This, I submit, is the spinal cord of this confederation. If you sever that you sever everything. When we look across the Atlantic today we see the growth of a great force, economically and ultimately politically, in the common market. Many of us in this country came originally from countries in Europe which were unable to get along together in a commercial, economic or social sense. It would be most ironic if we were to disintegrate at the very time when those countries were beginning to join together. Yet this is what could happen if actions of the kind I have in mind were allowed to go unchecked.

The legislation upon which the action of Quebec is based—I understand this is an act rather than a directive—is to be found in the 1946 statutes of Quebec, chapter 25(8).

> In addition to the other conditions prescribed by this act, the wood cut on the timber limits granted under its authority must be worked in the province and shall not be exported in its rough state without the authorization of the lieutenant governor in council, who may determine the reservations and conditions to which such authorization shall be subject.

Note the words "shall not be exported in its rough state". That is a prohibition of the export of a commodity produced in this particular province. What would happen if other provinces took a similar position? There would be imitation. There would be retaliation. I think of my own province of Alberta. There might be retaliation in the sense that exports from other provinces would be prohibited. Even worse, there might be retaliation in the sense of a prohibition of imports. We have an act known as the trade and industry act under which the provincial government issues licences to manufacturers and retailers in almost all classes of trade. What would happen if as a condition of granting such licences the provincial government were to say "We will grant you a licence to manufacture and sell retail, but only on condition that you do not import from the province of Quebec any lumber, maple syrup or manufactured products of any kind". This would be precisely the same type of regulation, only in reverse.

This particular section, which is section 121 of the British North America Act, has been the subject of some judicial interpretation. The case which arose most lately, and I think the one in which the question was most fully discussed, was the case of Murphy *v.* C.P.R. in 1958. This, as Your Honour may remember, is the case in which a farmer sought to test the validity of the Canadian Wheat Board Act by attempting to ship some sacks of grain from the province in which he grew it to another province. Mr. Justice Rand, as reported on page 153 of Dominion Law Reports, volume 15 said:

> I take section 121, apart from customs duties, to be aimed against trade regulation which is designed to place fetters upon or raise impediments to or otherwise restrict or limit the free flow of commerce across the dominion—

And again;

> What is forbidden is a trade regulation that in its essence and purpose is related to a provincial boundary.

What clearer demonstration could there be of such a trade regulation than the particular section of the Quebec legislation which I have quoted? It is interesting to note that while this was placed on the statute books of Quebec in 1946, it was not enforced until recently. I think this is probably because the governments of Quebec since 1946 have had grave doubts as to its validity.

I asked the Minister of Justice in this house some time ago a question on this important subject. I asked him if he would consult with his officials and consider the validity of this particular section of the Quebec act. He has not replied. He has not answered my question, and I think that is significant. If I am wrong—and I have been wrong before; I have had many judges tell me I am wrong—I will be glad to hear it. But I think I am entitled to raise this matter. I think there is a strong suggestion in the light of what Mr. Justice Rand has said that this legislation is invalid. What is to prevent other provinces saying "Quebec is able to get away with it, why can't we?" I think the members of the government who have taken the oath as privy councillors have a duty cast upon them to examine this matter with the greatest of

care and take the action which they are required to take, despite the fact that it might be a sensitive and delicate task.

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. Baldwin: Mr. Speaker, I have one more particular reference to make to the subject matter with which I was dealing before one o'clock, namely the problems raised by the Quebec legislation in connection with the export of lumber. This morning my hon. friend the member for Edmonton West (Mr. Lambert) for the second time raised this particular question and asked the Minister of Trade and Commerce (Mr. Sharp) whether he was now in a position to reply to a question he had asked about it. He obviously is also concerned. The minister, I think rather cavalierly, shrugged it off by saying, "Well, the Quebec minister in question has now issued what is in effect a clarifying statement which says he did not mean what he said the first time". The minister also referred to a news item. I have what I think is the news item to which the Minister of Trade and Commerce referred, and I find in it the following:

The spokesman—

This is the spokesman for the Quebec minister of lands and forests:

—said a statement made by Lucien Cliche, lands and forests minister, means that the department will require a cutter to get an export permit before shipping wood across the boundary to Ontario mills.

This is not any changed position; this is simply a reaffirmation of what I suggest is the offensive, repugnant provision contained in the Quebec legislation. I do not think the Minister of Trade and Commerce directed his attention this morning to this very, very grave issue. In conclusion, Mr. Speaker, in dealing with this particular subject matter, I make this suggestion. This is such a serious matter that it should be, if it is not already, on the agenda for the federal-provincial conference. Every effort should be made by this government, in consultation with the Quebec government, to see that this provision is not enforced. I tried to get some figures as to what could possibly be involved, in terms of dollars and cents, in interprovincial freight. I found this was obviously impossible, but I also find that in terms of volume 200 million tons of freight are carried on an interprovincial basis on the railways, on ships and by trucks.

An hon. Member: Per month, or per year?

Mr. Baldwin: This is per year—200 million tons. This is the very lifelood of the existence of this nation. If this small cancer is allowed to continue and to be perpetuated, I suggest that the tentacles of national trade which heretofore have largely persisted in an east and west direction will become disengaged and, seeking some nourishment, will go south of the border. If this should happen, I suggest we would cease to exist as a viable, economic unit.

I suggest therefore to the minister, to the Minister of Trade and Commerce and to the Prime Minister (Mr. Pearson) that they should do everything they can to see that this is not allowed to continue. I am never positive as to my assumptions of the law. As I said before, I have been told by judges often enough that I am not right. But I am sufficiently concerned about this to suggest that at the very least the government should see that this matter is submitted, by terms of reference, to the Supreme Court of Canada and it should not be allowed to continue to the stage where there will be retaliation and imitation.

In conclusion, Mr. Speaker, I must say that it is with some trepidation that I ventured into this particular area, because I know it is sensitive. Too many people have rushed in where wiser men have feared to tread. But I feel so concerned about it that I thought it my duty to raise the matter in the way I have. Let me possibly make amends by putting on the record a statement made in 1889 by a great Canadian, a former leader of the Liberal party and a former prime minister. These words were uttered by Sir Wilfrid Laurier in Quebec on June 24, 1889. May I apologize for not saying this in French. I can make shift and say words from time to time in French, but in a matter of this kind I do not think the language should be mutilated, as I am sure it would be mutilated if I attempted to say these words in French. Sir Wilfrid Laurier said this:

We are French Canadians, but our country is not confined to the territory overshadowed by the citadel of Quebec; our country is Canada...the fertile lands bordered by the bay of Fundy, the valley of the St. Lawrence, the region of the great lakes, the prairies of the west, the Rocky mountains, the lands washed by the famous ocean where breezes are said to be as sweet as the breezes of the Mediterranean. Our fellow countrymen are not only those in whose veins runs the blood of France. They are all those, whatever their race or whatever their language, whom the fortune of war, the chances of fate, or their own choice have brought among us...As far as I am concerned, I am a Canadian. But I told it elsewhere, and with greater pleasure I repeat here this evening, among all my fellow countrymen, the first place in my heart is for those in whose veins runs the blood of my own veins. Yet I do not hesitate to say that the rights of my fellow countrymen

of different origins are as dear to me, as sacred to me, as the rights of my own race, and if it unfortunately happened that they ever were attacked I would defend them with just as much energy and vigour as the rights of my own race.

I say I: should I not say you, we all of us? Yes, we are too much the sons of France, of that generous nation which has so often shed her blood for the defence of the weak, of the oppressed, not to be ever ready to defend the rights of our fellow countrymen of different nationalities to the same extent as our own. What I claim for us is an equal share of the sun, of justice, of liberty; we have that share and have it amply; and what we claim for ourselves we are anxious to grant to others. I do not want French Canadians to domineer over anyone, nor anyone to domineer over them. Equal justice; equal rights...Cannot we believe that in the supreme battle here on the plains of Abraham, when the fate of arms turned against us, cannot we believe that it entered into the designs of Providence that the two races, enemies up to that time, should henceforth live in peace and harmony? Such was the inspiring cause of confederation.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, nothing could show better the lack of real liberalism in this government, this complete lack of concern for the needs of the people of Canada, than this budget which we are discussing at the present time. In less than two years the architect of the new Liberal look, the author of "Troubled Canada", has been reduced to producing one of the dullest, one of the most Tory, one of the most stand pat budgets which any Canadian parliament has had to discuss. Because unemployment is somewhat down, because many Canadians are living well, the minister will have us believe that our problems have been solved. The minister is proud of the fact that he has reduced the budget deficit by one third. By doing so he has ignored the needs of the Canadian people and the promises made by his party during the election campaigns of the last two years.

Let us first look at this affluent Canada. While we have much to be happy about there are still people in Canada who live at a level which is a disgrace. We should all be ashamed of conditions which we have allowed to develop and to continue, and which the minister has ignored completely in his budget speech. In fact the budget speech proposes that we permit the rich to get richer and the poor to get poorer by continuing the present and past tax inequities. He has thrown us the bone that, as soon as the royal commission makes its report, he will get down to looking at the situation; but I want to say that I have not much confidence in this minister or this government doing anything to rectify the inequities we have talked about so often in the past.

In 1961, the last year for which we have figures, 30 per cent of Canada's labour force earned so little money that they paid no income tax. Fifty five per cent of the taxpayers earned less than $4,000 per year; 34 per cent of the taxpayers earned less than $3,000 a year and 14 per cent of those who paid taxes earned less than $2,000 per year. The top 25 per cent of taxpayers received almost 45 per cent of the total after tax income, while the bottom 25 per cent of taxpayers received less than 12 per cent of total after tax income. Despite these glaring and disgraceful discrepancies the minister proposes merely to continue to widen the tax exemptions and loopholes which have contributed to the inequities I have cited.

It is easy to get lost in statistics and figures, and because of this I should like to read a small section from an official report prepared for the Manitoba government, which I think has been received by all the members of this parliament. It shows graphically how badly some of the people in Canada are living. I refer to the original inhabitants of this country, the Indians of Manitoba. In this report, which is entitled "Manitoba, 1962 to 1975", and is a report of the committee on Manitoba's economic future, there is a section entitled "Role of native people in the north in industrial development". In part XI, section 3, pages 1 and 2, the following statements appear:

The native people of Canada in regions ranging from northern British Columbia to northern Quebec have not been integrated effectively into the social and economic fabric of the nation...

The economic position and future status of native people in Manitoba presents three outstanding areas of concern. The level of social and economic integration of the group is very low and shows little improvement after almost 100 years of special administration. The levels of living and per capita earned income are little more than one tenth of those of the rest of the province...

The low level of social and economic integration tends to prevent any increase in per capita earned incomes. Low incomes and levels of living and increasing reliance on welfare tend to retard, or to prevent, improvement in social and economic integration.

I should just like the house and the minister to listen to these specific figures.

In 1961 per capita earned income of the group approximates only $155 per year, and without extensive rehabilitation and development measures, this low level of income can be expected to remain constant or even to decline during the next decade. Earned income is supplemented by family allowances, old age pensions, and various welfare payments from federal and provincial sources, which total slightly more than $100 per capita at present...

In the light of that kind of situation, Mr. Speaker, we have the self-satisfied speeches made by the minister and other members of the government. We talk movingly and feelingly about the plight of the people in underdeveloped countries of Asia, Africa and South America. I believe we could do much more to help them lift up their standards of living, but surely we should be moving quickly and

resolutely toward righting conditions here at home; and of this there is nothing at all for this in the budget presented by the minister.

I should like to contrast the minister's approach to the approval of the President of the United States. The United States is the richest, most affluent country in the world but, unlike the Minister of Finance, President Johnson has recognized that there are still large scale pockets of poverty in that country. At least 30 million Americans are poor. They lack the money, the education and the background to enable them to pull themselves up by their bootstraps. The President has declared a national war on poverty. He has called for a program which would cost $1 billion a year—organized and financed by the federal government—but administered through the state and municipal governments.

If this is necessary in the United States, how much more is it required in Canada? The President proposes that 100,000 young people be put to work in a national job corps on conservation and other projects, while also receiving education and training. There will be an organization called "Volunteers for America" which will supply helpers to work among Indians and migratory workers. Could we use such an organization in this country? Of course we could. Is one proposed by this government? Of course it is not. The President proposes to provide money to support families while mothers and fathers are training or retraining for jobs. There will be a work study program to provide part-time jobs for high school and college students.

We have made a beginning on this sort of program, but according to reports I have seen in Toronto newspapers a large percentage of the people who start on this kind of program in Canada stop before they are finished, because they cannot afford to stay away from any kind of job which would give them an income to keep their families while they are taking this job retraining.

The program which the President of the United States has proposed goes far beyond the now accepted idea in the United States or Canada that the needy are entitled to welfare to maintain them at a decent standard, or at least at a standard sufficiently high so that they will not starve. The program proposed in the United States will break the chain of relief and welfare which we have had in the past. It will provide the poor with new skills, new hope and a new environment. With such a program we could hope for an end to the poverty and degradation of so many of our people, but there is no evidence of that kind of approach on the part of the government, certainly not in the budget.

I should like to deal with what I consider to be the most important defect of the budget, its almost complete failure to meet the educational and research needs of this country at a time when it is becoming obvious to the most dense that no country can progess in this age without a tremendously expanded effort in this field. Harold Wilson, leader of the labour party, has estimated that 97 per cent of all the scientists who have ever lived in the world are alive and working today. Yet in the past three years in Canada we have paid so little attention to the needs and desires of our most qualified and best trained people that over 120 professors and instructors in fields such as physics, biology, geology and chemistry left for the United States. In the same three years we permitted over 1,000 engineers to go to the United States, and we permitted over 1,000 physicians to leave for the United States.

I am not suggesting, Mr. Speaker, that we should do anything to force these people to stay here but I do suggest that we ask ourselves why they went because the people who left were the youngest, the best, the most aggressive people that this country has produced. In a letter which I had recently from Dr. Hans Selye, world famous medical researcher at the University of Montreal, he told me that half of the people who qualify for their Ph.D. at his institute leave for the United States almost as soon as they finish. Why? Not because of salaries alone, but because of the research facilities, equipment and grants for research. Even the proposed increases in the estimates for this year are pitiful when compared with what is required.

I suggest that we look at what the situation is as set forth very clearly not by wild, idealistic, impractical people, which some in this house consider the members of this group to be, but rather as set forth in concrete proposals by authorized and most highly respected spokesmen for the universities and the research institutes of this country. In a brief to the Minister of Finance in December of 1963 the Canadian universities foundation made the following points:

> —we suggested that the government of Canada establish a fund of $300 million for matching capital grants to universities and colleges. We wish to confirm the need and state that the urgency has now been compounded. We therefore urge that the operation of the fund be made retroactive to include projects undertaken after June 30, 1963.

And further:

> We urge that the payment of university grants in 1964-65 the rate per capita of the population of the provinces be raised to $2.60, not by way of introducing any new principle but simply to keep this program from falling behind—
>
> We reiterate our proposal that the Canada Council be assured of additional expendable funds

amounting to at least $2 million per annum in order that it may provide sharply increased support for its program in the humanities and social sciences, including research collections in college and university libraries.

I ask, is there any sign in the budget or in the estimates that these carefully thought out and minimal requests have even been considered by the minister? The United States has almost 4,500,000 people in universities and institutions of higher education. A country like the Philippines, with a population of 23 million, had over 350,000 college students in 1960. A poor country like Puerto Rico, with two million people, had over 30,000 university students in 1960. Canada, with a population of 19 million and one of the highest standards of living, lags so far behind these countries that it is pathetic.

The Canada Council presented a brief to the Secretary of State (Mr. Lamontagne) on March 3, 1964. It pointed out that it has to provide support for all of the arts, humanities and social sciences and to finance the management of the university capital grant fund. What did the Canada Council tell the government in its brief? I should like to quote a couple of short sections from the brief:

The council is not now meeting the need, and will be increasingly unable to do so, unless its income can be sharply increased. We are consistently and repeatedly informed by our judges that out of the present number of applicants in most of our categories of scholarships we could justifiably select twice as many for awards as we are now able to do. If we were to undertake to meet the existing demands, an additional income of well over $500,000 a year would be needed. This is quite apart from the expected growth of the next few years.

And they say further:

In the 1962-63 report of the national research council the following figures are given: for scholarships, fellowships and associateships tenable in the universities, $1,980,000; and for grants in aid of research, $8,600,000, a total in round figures of $10,580,000. Over against this figure, the Canada Council can place not more than $1,200,000. We repeat that in the council's view this discrepancy is far greater than is justified by the needs of the country.

The council believes that the most practical way in which the government can give needed help is by making reasonable appropriations over a period of years. We therefore request the government to add during the present year a sum of $10 million to the endowment fund. We also request the government to consider the addition annually of $10 million for a further period of two years. When the endowment fund has been enlarged by $30 million, say in 1966, the developments of the three year period could be assessed, and whatever additional resources then demonstrated to be necessary could be agreed upon.

Was any real consideration given to these suggestions of the Canada Council? If there was you cannot find it in the budget or the estimates. The Ontario council of university faculty associations in a brief recently to Premier Robarts has pointed out that university enrolment in that province will almost triple by 1971, and that the teaching staff will have to be quadrupled by 1971. They point out that Ontario universities have done their least impressive work in the fields of research, scholarships and graduate studies. A recent study of the larger Canadian university libraries showed there is not even one library which can be called first class in all of Ontario. If these are the facts in wealthy Ontario, how much worse is the situation in the rest of Canada?

What about scientific research, Mr. Speaker? Here the picture is little better. On December 5, 1963, the Prime Minister (Mr. Pearson) received a letter from some of the most eminent medical research experts in Canada. I want to quote a couple of paragraphs from their submission. They say:

It has been clearly evident during the last decade that the support which is available for medical and biological research in Canada in the universities falls far short of that necessary to maintain the highest standards of scientific accomplishment.

And further:

—many of the most gifted young investigators, unable to find the means to carry out their research in Canada, have to find their opportunities for work elsewhere, mainly in the United States. This loss is not only felt in the organization of existing research groups but also in the education of future scientists, who are deprived of the contact with many of the best creative minds of Canada. It can be foreseen that the continuous process of depletion of the nation's talented personnel will have an adverse effect on the quality of research training and of teaching provided in the coming years when an expansion of the size of universities will be necessitated by the increased influx of students.

Have these serious questions been met by the government? In a speech made in Toronto, and reported in the Toronto *Star* of February 2, 1964, Dr. Hans Selye said that unless the Canadian government steps in with financial support, teams of researchers may be broken up and lost to Canada. He said it is possible that he might have to release as many as 40 of his 120 workers at the internationally famous institute of experimental medicine and surgery at Montreal. Dr. Stanley Hartroft, of the Toronto hospital for sick children, in the same story said the proposed increases for medical research are grossly inadequate and represent no actual increase to take up the projects dropped by the United States agencies.

In the new and vitally important field of nuclear medicine, there is also a vacuum. Senator Hubert Humphrey of Minnesota told the United States senate in 1960, that in the field of radiation research in life sciences, Canada was spending $1.25 million while the United States spent $63.5 million; only 71 persons were employed in this field in Canada,

while over 6,300 were employed in the United States; there were 82 projects being studied in Canada while over 2,000 were being studied in the United States.

Now, Mr. Speaker, if you compare the two countries, after adjusting for population you see that Canada is spending five times less money than the United States, is using nine times less the number of persons in this field and is working on two and a half times less projects. Can these scientists believe we really want them or need them in Canada? I am surprised, Mr. Speaker, that more of them have not left Canada than actually have left.

The Canadian association of physicists has for almost ten years been urging on Canadian governments, both Liberal and Conservative, the need for a program in the field of high energy physics to keep Canada abreast of the current work in this field. They prepared a report in July, 1963, which showed the trend in this field in other countries. This is a field which is basic to the development of modern physics. They urged the absolute necessity for the construction of a high energy particle accelerator if Canada is to offer to Canadian physicists the opportunity to do modern, challenging research.

There has been no response at all, at least no favourable response from this government. In their report, they point out that France, Britain and the United States are spending in this field from 30 cents to 60 cents per person per year. Countries such as Belgium, West Germany, Italy, Norway and Sweden are spending from 10 cents to 30 cents per person per year. Austria, Denmark and Holland are spending from 3 cents to 10 cents per person per year. Poor countries like Greece and Spain are spending from 1 cent to 3 cents per person per year. Wealthy, happy, stodgy, careless Canada is spending only one half cent per person per year. Is it any wonder that Canadian physicists leave? The wonder is that they have not gone faster.

If you look at the budget with that microscope which the lead speaker for the official opposition referred to the other night, you will find virtually nothing for these people in this budget or in the estimates which have been tabled. I think I have demonstrated conclusively that the bright, eager and hopeful approach apparently adopted by the Liberal party when in opposition has already been replaced by the stodgy, do-nothing, don't rock the boat approach so typical of the Liberals when they were in office. We would urge the government to remember its pledges to the Canadian people, to forget this budget and to move quickly to meet the real needs of the Canadian people which they have for so long been ignoring, and which would make this a better, finer country for all the people.

[*Translation*]

Mr. Gregoire: Mr. Speaker, on a point of order, I should like to draw your attention to standing order 5 which reads as follows:

> Every member is bound to attend the service of the house, unless leave of absence has been given him by the house.

Since I must visit my riding in order to perform official duties, I am asking the house, under standing order 5, to grant me leave of absence and allow me to leave at 4.15 this afternoon, because the last train or plane—

Mr. Deputy Speaker: Order. May I remind the hon. member that there is no reason for raising a point of order in this case.

Mr. Gregoire: Mr. Speaker, I am raising a point of order under standing order 5. As I heard some hon. members say "No"—

Some hon. Members: Never.

Mr. Gregoire: —I wonder whether this requires the unanimous consent of the house or a majority vote. If it calls for a majority vote, I am prepared to ask for it because I would like the house to grant me leave, this afternoon.

Mr. Deputy Speaker: Order. Permission from the house is not granted by making a point of order out of that question.

Mr. Gregoire: I rise on a question of privilege—

Mr. Deputy Speaker: The hon. member for Halifax.

[*Text*]

Mr. Gerald A. Regan (Halifax): I am sure, Mr. Speaker, that I express the sentiments of many hon. members in this house at the moment when I say that they certainly have no objection to the hon. member for Lapointe (Mr. Gregoire) leaving, particularly in view of the fact that he used much of the time of the house this week and contributed nothing.

Mr. Deputy Speaker: Order. May I ask the hon. member to address himself to the question now before the house?

Mr. Regan: I was greatly surprised to hear the remarks of the hon. member for Winnipeg North (Mr. Orlikow) because they were a harsh indictment of the budget. He has stated that this budget contained nothing new and that it was a very disappointing budget from his point of view. I could not disagree with him more. After a series of huge deficits in this country since 1956, a budget which chops one third off the deficit and

moves us toward a balanced budget, I consider to be a very significant achievement. A budget which provides family allowance increases for those of 16 and 17, about which I will say more in a moment—

An hon. Member: Will you be here next March?

Mr. Regan: We certainly will. A budget which is presented at a time when the Minister of Finance (Mr. Gordon) is able to report that unemployment throughout the country has decreased substantially, at a time when prosperity and economic activities throughout the country are increasing significantly, a budget which specifically recognizes the need for education in this nation and provides a system of bank loans to our university students, is certainly a notable achievement. Mr. Speaker, I suggest this is a very significant budget and one that is in line with the responsibility of this government, and its aim to restore fiscal responsibility in the country.

Mr. Fisher: You and Senator McCutcheon.

Mr. Regan: He is richer. With reference to the extension of the family allowances to cover those of ages 16 and 17, I would point out that this is only one of the undertakings given in the Liberal election platform of last year, and that Liberal promises are being met one by one, to use Curzon's description, with the steady tramp of infantry across the field.

In so doing the pattern falls together, and I would point out that the paramount Liberal promise of them all was to restore fiscal responsibility to the nation, rather than continue with the handout, piecemeal policy of the previous government which inevitably led to record breaking deficits.

I listened carefully to the financial critic of the official opposition, and I hastily subscribe to his position as one of the deans of the opposition. I have referred to him without malice on many occasions as jovial George. Again he disclosed to us his fundamental weakness, which may very well be the source of his fundamental charm, and that is that in his criticisms he does not tell us the desirable policies omitted, nor the undesirable policies that were included.

Of course he chastised the Minister of Finance, as we would expect him to do. To do otherwise would be to make him derelict of his duty, and he has never been derelict of his duty. But listening to his remarks I came to the conclusion that the hon. member for Digby-Annapolis-Kings (Mr. Nowlan) must consider this a darned good budget, otherwise as a former minister of finance he would have burned some midnight oil to try to tear it apart, which he obviously did not.

One wonders if he, like the majority of the people of Canada, feels once again Canada is on the road to stable government, something which was demonstrated by the accounting given to us last Monday night by the Minister of Finance.

An hon. Member: How about agriculture?

Mr. Regan: I will come to that. Nova Scotians in general will be pleased with the words of the Minister of Finance in his budget address, that the government of Canada must remain strong and dynamic both in its effective jurisdiction and in finance.

Mr. Fisher: I can hear them shouting now.

Mr. Regan: All I can hear shouting is the hon. member for Port Arthur (Mr. Fisher). Those of us from the smaller provinces become very concerned at some of the talk emanating from the provincial governments of Canada's two most populous provinces, to the effect that our constitution should be amended to strip the federal government of much of its taxing power, and hand these additional fields of taxation to the provinces.

Statements of this type, which have frequently been made by fuzzy-thinking empire builders of the Rene Levesque ilk, totally ignore the historical facts of Canada, and the existence within this confederation of provinces such as Nova Scotia, which bear the yoke of geographic disadvantage and the burden of a tariff structure that favours only central Canada. Do these powerful provincialists actually believe that Nova Scotians, Newfoundlanders and others would or could remain in confederation if the central government were stripped of its financial ability to carry out national policies that provide some recompense for the disadvantages I have already mentioned?

One of the things which has bothered me about the confederation dialogue that has been going on for the last two years or so is that it has been exclusively a dialogue between Ontario and Quebec. There are other provinces in Canada, Mr. Speaker.

Some hon. Members: Hear, hear.

Mr. Regan: I am an elected representative of a province which was one of the original partners in confederation.

Mr. Gregoire: Which province?

Mr. Regan: La belle republique de Nova Scotia.

Mr. Fisher: This sounds like the compact theory.

Mr. Regan: No, I reject the compact theory.

Mr. Fisher: Very good.

Mr. Regan: I would hasten to point out that with Nova Scotia and New Brunswick being partners in the original confederation we must remember that it was not at the time of confederation that Ontario and Quebec, that French and English, first joined together. They were committed to union some 26 years before, in 1841; but the leading citizens of those two states or provinces came to Nova Scotia, New Brunswick and Prince Edward Island during the 1860's, at a time when their own financial difficulties had become so urgent, at a time when they could not get along, and at a time, in the words of Sir Georges Etienne Cartier, when it was felt that the addition of new partners would relieve the strain.

We did not come seeking confederation. We were the reluctant brides.

Mr. Knowles: You do not know the facts of life.

Mr. Regan: It was a case of Ontario and Quebec coming to the maritimes to seek us as partners in confederation. We were needed in confederation.

An hon. Member: Why?

Mr. Regan: Well, I think I speak for most Nova Scotians when I say we support the legitimate aspirations of the people of Quebec to improve their economic position in Canada and to preserve their culture and their language.

Some hon. Members: Hear, hear.

Mr. Regan: But we do become perturbed when some people from that province use this legitimate aim as a guise for obtaining unfair commercial advantage. I think you must remember that it is an integral part of confederation, if provinces at the geographical limits of the nation are to be a part of this nation and bear the tariff burdens that only help the central part of Canada, then if we are to suffer the disadvantages of our geographical position the federal government must be in a financial position to carry out equalization grants and other policies that keep us as an integral part of the country.

Before leaving this particular subject, Mr. Speaker, let me say that a perusal of the pre-confederation debates among the four original partners shows that there were guarantees given to the maritime provinces, for instance, on the question of winter navigation, and there is as much evidence that these guarantees were given to the maritime provinces as there is evidence that the French language had guarantees beyond the use of it in parliament and in the courts.

I am quite happy to say that, though the expressed words in the British North America Act do not go beyond that, it was the intention that the guarantees to the French language would go far beyond those words, and the contemporaneous utterances of a public statesman of the time showed also guarantees on winter navigation to Halifax and Saint John that were just as great as the guarantees to the French language.

Now, Mr. Speaker, if I may move on I might say—

Mr. Knowles: With unanimous consent.

Mr. Regan: Unlike the hon. member for Lapointe (Mr. Gregoire) I have not asked permission to leave, so I must continue my speech.

I am glad to see that the Minister of Finance recognizes the regional nature of unemployment as it exists today, and I noted from his remarks when presenting the budget that he thought that by far the highest unemployment exists in the Atlantic provinces. It is in the Atlantic region that unemployment continues to be a very severe problem and, unlike the previous administration, I do not think anyone on this side of the house has suggested that unemployment is not yet a problem. It has become a major regional problem and this government is determined that, even if the position has been improved in the Atlantic region during the past year, the improvement must continue until the problem is licked.

I would remark in passing that the Atlantic development board has moved during the past few months to expend usefully some of the $100 million which it has been given by this administration, and I think specific projects undertaken by that board will certainly result in great advantage. But the problem in the maritimes remains, as always, one of transportation. Until we have a realistic railroad policy based on the principle that the outlying areas of Canada should not be at a disadvantage, we cannot have real prosperity in that area.

The subamendment which was moved on behalf of the New Democratic party deplored the failure of the government to reduce defence expenditures. This approach is characteristic of the unrealistic, ivory tower attitude taken by that group toward the problems of defence and disarmament. It is well known that the most energetic and able minister of defence this house has seen in many years has already undertaken an extensive program of pruning the dead wood from defence expenditures with a consequential substantial saving in expenditures. The government has had drastically to revise the allocation of our defence expenditures because of failure to

up-date plans in the years when this country was under the prime ministership of "the great procrastinator".

Apparently the subamendment expresses regret that defence expenditures have not been cut to a still greater degree. The hon. member for Nanaimo-Cowichan-The Islands (Mr. Cameron), for whom I have the greatest respect, did not say one word in his remarks to indicate which specific defence expenditures should, in his opinion, be reduced, or precisely what aspect of the security of our nation should be neglected. I noticed also that his colleague, the hon. member for Winnipeg North (Mr. Orlikow), speaking a few minutes ago did not even mention the subject of the subamendment. So he could not have been too much impressed by it. If an amendment of the type proposed by the hon. member for Nanaimo-Cowichan-The Islands were to be introduced then, surely, it was the duty of members of his group to specify precisely where the suggested reductions should occur. At this very time, the participation of our nation in the peace keeping force in Cyprus is resulting in considerable unforeseen defence expenditure. But the hon. member who moved the subamendment appeared to praise our participation in the Cyprus affair and we must, therefore conclude that it is not in this area that he would economize.

I suggest we all remember that there are still abroad in this world strong forces which are hostile to the aims and aspirations of freedom loving democracies. What is more, these forces are working and watching for every opportunity to find the free nations with their guard lowered. Every hon. member of this house favours disarmament—but not unilateral disarmament, and not disarmament without safeguards as long as a threat to our security exists. Our nation must not shirk its responsibility to contribute, in accordance with its size and wealth, to the defence of the free world. If savings are to be made, subject to the provisos I have mentioned, then surely the minister, with the help of his advisers, is the person best able to determine where economies can safely be effected. The hon. gentleman's policies in the past few months have surely shown that he wishes to carry out whatever economies are possible, consistent with our obligations. Sometimes such economies are painful, but they are necessary. So, if members of the New Democratic party wish to see economies effected, let them tell us exactly what they would remove from our armed forces. As for me, I am confident that the Minister of National Defence (Mr. Hellyer) will, in his white paper, outline a program for the future which will provide that our men in the armed services have in their hands at all times the best weapons and equipment which can be procured—all the material which is necessary to meet the modern scientific weapons possessed by any potential aggressor.

If I may say a further word on the subject of defence expenditures, I should like to deal with the question of pay for members of the armed forces. Shortly after coming to office last spring, the present government announced a pay increase for members of the armed services. While this increase was adequate to meet the needs of those serving in higher ranks, it provided only a very slim increase for the ordinary soldier, sailor and airman. My own experience in industrial relations has shown that the proper spread between the wages of higher and lower classifications can only be retained by alternating percentage and straight across the board increases, and I would urge the Minister of National Defence that when the remuneration of members of the armed forces is again reviewed particular attention be paid to the needs of the lower ranks, so that a high morale can be retained in our defence forces.

This is of the essence if our voluntary system is to continue to prove a success. I submit that in the post-war years this system has worked out much better than the draft system enforced in the United States. As a matter of fact there is every indication that the Americans are dissatisfied with their system at the present time, and that they are looking with some envy at ours. And the Canadian system will only continue to work as long as service in the armed forces provides an attractive career for our young men.

I should like now to say a word with regard to education, a subject on which I have already touched once or twice in passing. As I have mentioned, the measures to extend family allowances and provide for guaranteed loans for students are obviously part of a move to encourage students to continue their education at a time when the level of education is of great importance. In passing, let me say I agree with the hon. member for Winnipeg North as to the undesirability of so many people trained in Canada leaving to take up employment in the United States. I think steps should be taken in an effort to change this situation, if possible. However, if the policy of making loans to students is as successful as I think it will be, then it will aggravate another pressing problem, namely the need of various universities in Canada for additional physical facilities to enable them to accommodate all the students who are likely to seek enrolment. This is a need which will arise in an acute form in the future, and I submit that a great deal will have to be done

in this field. I might say that the province of Nova Scotia has always received an extremely raw deal in the matter of university capital grants made through the Canada Council. This is because the grants are made on the basis of the population of the various provinces; it has not been recognized that students come to our universities in Nova Scotia from all over the Atlantic provinces, and indeed from much of Upper Canada. The origin of the student population of our provincial universities must be recognized and considered as a factor in future, when direct grants are made.

Speaking of subsidies, we in Nova Scotia are subsidizing the business and professional life of Upper Canada by educating so many of its citizens in various professions and skills. It is true that of those who are educated in Nova Scotia, relatively few remain in the province because of the economic disadvantages we have suffered under confederation. I mention this in passing because I hope that in future attention will be given to the needs of the universities in Nova Scotia in particular.

I should like to say a word, too, on the subject of vocational assistance. The predecessors of this government were active in the field of educational and vocational assistance many years ago. I think that at the present time the change in the character of the skills and education needed in our citizens is such that a great deal of attention should be paid to this question of vocational assistance. I realize that this is largely a provincial field. Nevertheless I think I should be permitted to point out that in many instances the vocational and technical institutions of this nation are preparing our young men and women with training in relatively unimportant skills; they have still, I feel, to produce the skills which are needed in today's world, as is being done through similar programs in other nations.

I would give an example in my area, Mr. Speaker, the Halifax area. There we have a very fine electronics industry at E.M.I.-Cossor Electronics Limited. This plant finds they are unable to obtain in the Halifax area or in Nova Scotia, persons trained in electronics skills and they have to go again and again to England to find employees when they need them, and bring them over to Canada. We are extremely pleased to have these fine, new citizens in our area; but at the same time we think it unfortunate that there is not an expanded vocational training course in the area to cover these types of skills.

Mr. Speaker, all in all I think the word that would best describe the budget presented by the hon. Minister of Finance this week is that it is a sane budget; a budget that recognized the problems which face Canada; a budget which came less than a year after this government came into office but yet enabled the minister to come forth with a program that will result in the deficit of the previous year being decreased by one third, and which presented important, new programs to the people of Canada and got Canada squarely back on the road to stability and prosperity.

[*Translation*]

Mr. Remi Paul (Berthier-Maskinonge-Delanaudiere): Mr. Speaker, when, following the election of April 8, 1963, the right hon. Prime Minister (Mr. Pearson) was called upon to choose his cabinet, nobody was surprised to see the present Minister of Finance (Mr. Gordon) given that post because for almost two years his accession had been prepared. It was even said that he was the power behind the throne in economic matters within the Liberal party.

His first budget was awaited with anxiety and suspicion. Everyone recalls the evening of June 13, 1963, when the Minister of Finance, helped by a team of experts, went before the Canadian people to bring down his first budget. That evening, we were given a new economic theory which I shall call "Gordonism".

By putting this economic theory into practice, the Minister of Finance expected to balance his budget. As can be seen on page 999 of *Hansard*, this is what the minister said that evening.

> But if this is to be justified and maintained it is important that we begin to put our national house in order: that we begin to move toward balancing our federal budget under conditions of high employment. We must take the first step in this direction now.

That is fine in theory, but the minister's statement is indicative of the qualified accountant who used his talents in the interests of his people but who, unfortunately, does not know much about practical administration.

Indeed, he was somewhat proud and arrogant when, on the night of June 13, he explained his theory to the house. However, what was excellent in theory was disastrous in actual practice, and the people of Canada were drugged into accepting new taxes.

However, the new drug proved to be a bit too strong for our country's economy.

Then, just as in the case of a seriously ill patient other experts' services were requested. Thus, we know that the Montreal stock exchange's president, Mr. Kierans, as well as other businessmen and brokers from Montreal met with the Minister of Finance. The minister was finally persuaded that the remedy he

had advocated was too strong and that the dose had to be reduced. So we witnessed the reduction of the 11 per cent tax to 4 per cent; the second dose will be administered on the 1st of April next and the third, on January 1, 1965.

Even the minister was affected by that economic germ and for a while, we had fears for his political future. There were all kinds of rumours to the effect that he was falling out of the frying pan into the fire, that he should retire to other places, but the fact is that he remained in office.

This year, we saw the Minister of Finance come before the house without any experts to introduce exactly what? To introduce an empty and worthless budget. The minister is now affected by lazarism, which means he offered the Canadian people the crumbs of Lazarus referred to in the Gospel, and the remarks made by financial interests concerning the minister's budget are quite unanimous.

If I may, I should like to recall the opinion given by Mr. MacDonald, secretary-treasurer of the Canadian Labour Congress, who said that the budget introduced last Monday was quite dull because it offered no new proposal to strengthen the Canadian economy. Mr. MacDonald also remarked, no doubt, the self-satisfaction displayed by the minister when he introduced his budget because he firmly believed that his first budget was responsible for spurring on the economy of Canada, so much so that he believes himself responsible for the recovery of our economy which has taken place during the last few years, and which continued during 1963. But Mr. MacDonald did not agree with this opinion when he said:

> The expansion we have known recently is due, for the most part, to fortuitous circumstances that have nothing to do with the measures taken by the government.

In an editorial published in *La Presse* of Montreal March 17, Mr. Vincent Prince reported that the budget was not a thriller.

In an editorial published in Sherbrooke *La Tribune* on March 18, reporter Pierre-Paul Blais wrote:

> If a federal budget can help the Canadian economy and accelerate its growth rate, surely this will not be done by Mr. Gordon's new budget. He rather gives the impression that he intends to let the economy coast along on its own momentum in the hope that this will be enough to maintain prosperity at a satisfactory level and provide surplus income large enough to reduce the deficit by some $250 million.

I shall now continue my remarks, Mr. Speaker, by considering the budget from the Quebec point of view.

I listened with great attention to the hon. member for Halifax (Mr. Regan) who tried to adjust the budget to the real needs of the province of Nova Scotia. As I am a Quebec member, I think I should look at the budget from the Quebec angle.

First of all, I was disappointed to find that the budget does not say a thing about the claims of the premier of Quebec, the Hon. Jean Lesage, because they were not exclusively Quebec claims, but they expressed the needs of all provinces. Indeed, during the federal-provincial conference in 1963, the premier of Quebec made the following statement.

> But this was not the main point of our requests. We also—and more particularly—wanted the federal government to evacuate to a greater degree the fields of individual income tax and corporation profit tax and to surrender the estates tax. As a matter of fact, we suggested that the field be abandoned by the central government to the extent of 25 per cent in the case of the individual and corporation income taxes. We also asked the government to yield the whole field of estate taxation.

We may recall, the great service rendered by the Quebec premier and the spectacular action he took in the middle of the 1963 election, when he asked the people to support the Liberal party. Would the premier of Quebec make the same statement today, March 20, 1964, in favour of the Liberal team now at the helm in this country.

The federal budget does not say a single thing regarding the concessions which the government proposes to make to the provinces. We might well wonder about the reasons for which the hon. Minister of Finance submitted the budget at such an early date.

Does the government propose to go to the people in June, or did it resort to this trick in view of the conference of March 31, 1964, so as to be able to put forward some reasons and excuses for not following up the claims voiced during the last federal-provincial conference?

The provinces would then be placed before a *fait accompli* and at that time the Minister of Finance would be justified to say: "I understand the situation. We are willing to give it consideration, but unfortunately we have just tabled the budget". The provinces would still be deprived of their taxation rights which they need nevertheless to ensure a constant economic development.

There is no reason to be surprised because the federal government by itself does not create economic prosperity in the country; indeed, it is the prosperity of each Canadian province which gives economic prosperity to Canada.

The budget of the Minister of Finance does not say a word about the situation of the textile industry in the province of Quebec. Why? The province of Quebec has now the greatest number of unemployed, with the exception of the maritime provinces; 9.2 per

cent of our workers are now jobless, and what does the Minister of Finance do to help our textile industry which is peculiar to the province of Quebec? The minister of finance in the former government, Mr. Fleming, always had in every one of his budgets a provision concerning customs tariffs, in order to check the entry in this country of foreign textile products and help to safeguard to a higher degree this production which is peculiar to eastern Canada and especially to the province of Quebec.

Why did the Minister of Finance not make any provision in that respect? There are now 40 towns in the province of Quebec who need the textile industry for their living: Drummondville, Sherbrooke, St. Hyacinthe, Louiseville, Marieville, Montmorency and a number of others.

An hon. Member: The riding of the parliamentary secretary to the Minister of Trade and Commerce.

Mr. Paul: I hope I will have time later on to refer to the parliamentary secretary to the Minister of Trade and Commerce (Mr. Pepin). Why did the Minister of Finance not say a word about this matter? He could not do otherwise, because the Minister of Trade and Commerce (Mr. Sharp), whom I consider as a very efficient man, somewhat committed his government last August, by a statement he made on August 30, 1963, in order to facilitate the sale of wheat to red China. Please note that I am in favour of our wheat sales to red China, so much so that it was the Conservative party, through the former minister of agriculture, the hon. member for Qu'Appelle (Mr. Hamilton), which made every effort to promote the sale of our farm products to foreign countries.

This proves that the Conservative policy was excellent, from the point of view of international trade, but this trade was never carried on to the disadvantage of a particular class of people in Canada.

Why did the Minister of Trade and Commerce announce that imports of textiles from red China, which amounted to $3 or $4 million a year, would be increased to $7 million? Entries of textiles representing three million. To whose disadvantage? To the disadvantage of the wage earner who works in textile factories. Therefore, we should not be surprised if the Minister of Finance remained completely silent on that point.

I will point out to you that I do not speak about the remarkable silence of the budget as to the agricultural policy of the government, because we have at present a bicephalous department. There is no doubt about it. the minister for western Canada must be unaware of what the minister for eastern Canada is doing and the dealings of the minister for western Canada must be unnoticed by the minister for eastern Canada.

There is only one thing left for us to do and that is to tell farmers of the province of Quebec: "Run away as fast as you can". When I say "run away", I am obviously not referring to the forestry minister, the hon. member for Îles-de-la-Madeleine (Mr. Sauve).

No, there is a stubborn silence in regard to the agricultural policy of the country. And yet, heaven knows how farmers recall the wise policies implemented by the Conservative government to assist the dairy industry. It was decided to pay a subsidy on each pound of butter fat instead of paying 25 cents per hundred pounds of milk. The pattern of the subsidy was changed because it was alleged that farmers added too much water to the milk. Well, that is not the real reason. The real reason is that the Liberal government always promoted a farm policy favouring exclusively western Canada to the detriment of eastern agriculture.

As a matter of fact, only a few days prior to the overthrow of the Conservative government in February 1963, the former agriculture minister, the hon. member for Qu'Appelle (Mr. Hamilton), presented a bill to promote further the farm economy of eastern Canada. Unfortunately, all that was thrown overboard when this government assumed power.

And what about joint programs? It is interesting to note the statement made by the Minister of Finance (Mr. Gordon) in this connection. This is what he said last March 16 on joint programs:

> We have no desire, however, to go on indefinitely levying taxes simply to pay for programs that are well established and well within provincial jurisdiction.

And now, what about the attitude of the Minister of Transport (Mr. Pickersgill) who, a few days after he took office, decided that the government was not going to build the railroad between St. Anne des Monts and Gaspe? And I am also wondering what the hon. member from Gaspe (Mr. Cyr) is doing about making the necessary representations to the government in order to stimulate the economy in his area, which finds itself in a slump. Absolutely nothing. But the Minister of Transport said the government was going to contribute in a different way, that it was going to take part in joint programs, to develop country roads in that area.

The development of the rural economy, there you have the new policy of the Minister of Finance. But he does not give a hoot for the economy of the country as a whole. As a matter of fact, he relies on the tax

cuts decreed by the United States government to activate the financial mechanism in such a way that the effects will be felt even in Canada and that, indirectly, the Canadian economy will benefit from that sound policy of the American administration.

But no tax reductions for this country. And yet, my Liberal friends, you had promised them. Here:

Tax reduction, a seven week tax holiday. Taxes cut by $400 million.

I ask the Minister of Finance to have a look at this, if he can see from that far away:

$400 million reduction.

He cannot have been that far away when the Liberal party prepared its economic and political propaganda in 1958.

A seven week tax holiday.
Taxes cut by 25 per cent for seven additional weeks.
No taxes to pay for three years in the case of newlyweds.

No, there is no tax imposed on newlyweds, but they are prevented from building new houses as a result of the 11 per cent sales tax on building materials.

If you, Liberals, had promised us then that the government would be seven weeks without a minister of agriculture, you would have kept your promise.

Mr. Speaker, there is a matter which I cannot ignore, that of the crumbs or remnants which have fallen from the table of the Minister of Finance.

The $10 increase in family allowances—

An hon. Member: That is fine.

Mr. Paul: Yes, that is fine, but finally you have understood that our party was in a position to submit effective solutions to the problems of our young students. But why did you vote against the motion of the hon. member for St. Hyacinthe-Bagot (Mr. Ricard) who, in February last, proposed a $10 monthly increase in family allowances? And yet, you made such a promise during the election campaign. But you would rather wait for the budget of the Minister of Finance to increase those allowances.

Other measures have also been taken to help university students. I congratulate the Minister of Finance. Thanks for those crumbs, but please give us more, give us a whole loaf.

Mr. Speaker, I was shocked by the government's attitude yesterday. In fact, when I asked the Prime Minister if he or his government had considered the constitutional aspect of grants to students, the Prime Minister replied overbearingly: We never do anything which would infringe upon the rights of the provinces.

And yet, who introduced legislation designed to help municipalities at the expense of provincial autonomy?

Mr. Lambert: Did he consult the hon. member for Drummond-Arthabaska?

Mr. Paul: Mr. Speaker, it is unfortunate that the hon. member for Halifax is no longer here, because I would have called his attention to section 93 of the British North America Act which reads as follows:

In and for each province, the legislaure may exclusively make laws in relation to education.

Under this section, therefore, the provinces are given exclusive jurisdiction with regard to education. In addition, the jurisprudence of the supreme court and of the privy council has been consistently along the same lines as to the meaning of the word education.

The scope of section 93 was definite for the province of Quebec during the conferences held prior to the passage of the confederation act. The incorporation of section 93 into the confederation act was demanded and granted, because it was essential to the safeguard of the French language, culture and personality. It was also essential to the survival of French Canadians, because in 1867 Quebec was the only French speaking province among the four provinces of confederation. Today, Quebec is still the only French speaking province. It is therefore more than ever necessary that it should keep complete control in the field of education. It is through its education system that the French personality blossomed out, or at least survived, in Canada, and French Canadians wish to preserve their personality and to develop it in the interests of the whole country. French Canadians hope, wish and want to make their culture available to the Canadian people, and not to the separatists of the province of Quebec.

The government might reply that by passing legislation to grant scholarships to students, it is not interfering with education. One cannot do directly what one is forbidden to do indirectly.

A good Liberal told me lately that it was a moral obligation for the federal government to help the young people to further their studies, to help them, by all possible means, to get an education, so that they would have a first class position tomorrow in our society.

In constitutional law, where do we find that moral obligation? The federal government's moral obligation, I think, is to transfer more to the provinces, to grant them better taxation rights so that they can meet today's needs in the field of education. That is one way the government would be able to assist the provinces, and not by granting scholarships because they have been censured by everybody.

Some might say: If the government grants unconditional loans what have you got to fear?

We have to consider the future and create no precedent which would open the door to abuses. We have no right to mortgage the future of our young people. As long as our country is governed by one of the big parties, there will be no danger that French Canadians lose their identity, their past and their culture. But should one day socialists, such as we have in the left corner of this house, or right-wing extremists, such as we have in the left corner of this house, come to power, then there would be cause for concern.

Then the future and French culture would be in danger in Canada because the jurisdiction is well established: let Quebec look after education, let the provinces look after education. Besides, that is the present policy of the Quebec government—

Mr. Caouette: Separatism.

Mr. Paul: I hear the hon. member for Villeneuve mention separatism. But when you talk of separatism, do so in the English provinces as well as in the province of Quebec, and not only in Quebec, trying to pit the provinces one against the other. When one has principles, one puts them into practice, in English Canada just as well as in French Canada, and vice versa. Not only one way in one province and another way in another province.

You ate pork and beans in St. Angele de Prevost last Saturday night, come and talk about it.

Mr. Deputy Speaker: May I ask the hon. member to talk to the Chair?

Mr. Paul: I would rather give you food for thought. I leave culinary matters to the hon. member for Villeneuve.

Mr. Speaker, the hon. member for Drummond-Arthabaska (Mr. Pepin), parliamentary secretary to the Minister of Trade and Commerce, seems to agree with the premier of Quebec, for he said last night: I will discuss this matter of loans to students at the next federal-provincial conference because it is another case of federal interference in the field of education.

We remember how strenuously the hon. member for Drummond-Arthabaska objected to the present policy of the Liberal government. We remember also how various university associations of the province of Quebec protested against this intrusion contemplated by the federal government.

What is co-operative federalism leading to? It will lead to centralization, if we do not check its advance. I wonder what will be the attitude of my Quebec colleagues when this question is discussed. They had taken a definite position with regard to nuclear arms; everyone kept remarkably silent when this question came before us.

Let us hope that there will be fortunate exceptions. For instance, one hon. member had the courage to blame his party leader during an election campaign.

Mr. Speaker, I would have liked to deal with other matters; unfortunately, I have only two minutes left. We shall be called at a quarter to five to vote on a motion introduced by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Cameron).

I would have liked to say something about the C.B.C. But my time is too short. It would have been interesting to know why the president of the C.B.C. received a $20,000 pay boost. No answer was given to a question to that effect put on the order paper by the hon. member for St. Hyacinthe-Bagot (Mr. Ricard).

Mr. Speaker, I do not think it will be possible for the Conservative party to support the subamendment moved by the New Democratic party.

As the hon. member for Halifax (Mr. Regan) said a moment ago, we cannot adopt this proposal for it does not clarify in any way the areas where the federal government will have to reduce the expenses of the Department of National Defence. Personally, I do not believe that the reduction in these expenses represents the necessary reason or incentive that would give an impetus to this country's economy. That is the reason why the Conservative party will vote against this subamendment.

The Minister of Finance (Mr. Gordon) introduced this year a limp and unspirited budget. I hope he will take into consideration the needs of the provinces and that on March 31 next, he shall, with his usual smile, firmly resolve to think about them and to find economic incentives without relying only upon the American economic development.

We may be right in hoping that the Canadian economy will keep on improving, not on account of the legislative measures taken after the introduction of the budget by the Minister of Finance but chiefly because the Conservative party had provided for certain economic measures that would permit to stimulate and to develop this country's economy.

Mr. Guy Marcoux (Quebec-Montmorency): Mr. Speaker, it is unfortunate that the hon. member for Berthier-Maskinonge-Delanaudiere (Mr. Paul) has not used his great oratorical talent to convince the Minister of

Finance last year of introducing a budget where we could—

Mr. Lambert: You were not there because a budget was tabled in April 1962.

Mr. Marcoux: The people had been requesting a budget for a long time but no one could present one. Mr. Speaker, I submit that the situation is hardly better this year than last year when no budget was presented since the present budget contains very few new provisions and hardly anything which will satisfy the Canadian people.

The only people who will get certain benefits are the students and those advantages are far from being as great as some would have us believe.

For instance, everybody knows that parents are entitled to a $350 tax deduction for children who get family allowances. If you add to that the $10 a month family allowance, you get an additional amount of $120 for a grand total of $470 for deduction purposes. On the other hand, in the case of children who are not entitled to family allowances, parents are allowed to deduct $550 a year from their income tax.

Obviously, in this case, the amount of $120 for each child will be an additional amount which he can use. But, if we use the accountants' language, with assets and liabilities, we soon realize that, at the end of the year, instead of deducting $550 for each dependant child going to school, the family head will be able to deduct a maximum of $470. Everything taken into account, I would not say that this aspect of the budget is so beneficial to the father of a family who maintains children at school, in spite of the fact that the bill seems very interesting for students of 16 and 17 years of age, if this part of the budget is applied.

With reference to part-time students, I imagine that several may be helped in this way, being able to deduct their total school expenditures from their income.

But, in addition, I feel there is nothing in the budget indicating that the Canadian people will get any relief from taxation.

And now, in spite of heavy pressure on the part of manufacturers in general and associations of contractors, requesting the government to abolish the tax on building materials, or at least not to increase it beyond 4 per cent, the Minister of Finance (Mr. Gordon) refused to listen to any of them, although they are, after all, experts in their field, since the construction industry is their means of livelihood and since they are in a position to relieve unemployment.

In that field, the Minister of Finance has not seen fit to follow their advice. He has rather followed the advice of his party, and maybe that of his own officials, so that the tax will gradually reach 11 per cent. That measure will surely have a harmful effect on the building rate in Canada and also on the number of unemployed, because when building is at a low level, unemployment is at a high level.

We would also have liked the government to define its policy with regard to receipts for charitable donations. For several years now, it has been said that this matter is creating enormous problems for the Minister of National Revenue and that a clear policy should be defined in that connection.

In my opinion, it is unfortunate that the Minister of Finance has not seen fit to define the government position concerning receipts for charitable donations. The hon. member for Lake St. John (Mr. Lessard) has already provided a solution which would be fair, in my opinion, to most Canadians, to those of the province of Quebec as well as those of any other province. The minister has not paid any attention to it. I hope that, in the near future, that matter will be settled once and for all, because it embarrasses the clergy as well as those who want such receipts. It embarrasses also the hon. members who try to stand up for them before the officials of the Department of National Revenue who seem to understand nothing at all and believe that everybody is dishonest, except themselves.

I believe it is time for the government to determine a specific policy about this and for the policy of the Department of National Revenue to be, once and for all, well understood.

We would have liked also that a municipal development bank be established in order to allow municipalities to create new jobs, not small jobs such as those offered by the winter works program, or other small jobs that you can get under the Centennial of Canadian Confederation Act. We would have liked that such a bank be established in order to allow municipalities to develop and solve the regional and local unemployment problem, since the Minister of Finance says that the solution to unemployment is rather a regional problem.

I think such a bank would be the only way to assist our municipalities to get out of our present unemployment situations.

Since the Minister of Finance is prepared to permit the establishment of the Western Bank—he also seems prepared to authorize the establishment of the British-Columbia Bank—I think he should also be prepared to allow the establishment of a municipal development bank which would, at long last,

enable public bodies to use capital made available to them by the Canadian government.

Reference was also made to deficits. They are discussed all the time, and so is the public debt, the national debt. I do not want to labour the point, but I would remind the minister once more that in 1962-63, according to Canada Public Accounts, volume I, the nation paid in interests only on the public debt the amount of $881,598,898, while the defiicit came to $691,632,927. The deficit was smaller than the amount we paid in debt interests only.

If the solution we offer is not to be accepted another should be worked out because it is absolutely impossible to go on this way.

Once again, I do not wish to discuss the net national debt or the gross national debt, because investments and capitalized assets must be taken into account.

But considering only the amount required to pay interest on the debt and on the deficit, we find that there is a lag, indicating the folly of the system and that we cannot indefinitely keep on with this tempo; despite the fact that we wish to protect private enterprise, it is impossible to carry on this policy as we are doing now.

I am asking all those who deem themselves competent and able to resolve this problem—I can see many accountants and many economists on the other side of the house—to try to find a way that would enable us to get out of an economic position that has become really disadvantageous and which, instead of allowing us to become masters in our own house, in spite of all the fine speeches we constantly hear in this regard, is leading us more and more towards "americanization" instead of directing us towards total independence with respect to the United States.

In this regard, I should like to say a few words concerning the report of the O'Leary commission. The Conservatives will probably try to accuse the Liberals of not having carried out the recommendations of that commission. I will call to their attention that, as early as last year, a similar bill was to be presented.

By the way, I should like to quote a few newspapers, a few editorials which indicate that, for reasons unknown to us—I should say for reasons which we suspect too well, alas—the government did not deem it advisable to take into consideration the recommendations of the O'Leary commission. I should like to quote an editorial published last month in the Toronto daily *Star* where it is said that, at this time, it is not too late. So I speak now, for before long it will be too late. The article says:

[*Text*]

Fortunately the die has not yet been cast; the legislation has not yet been brought down. There is still time for the government to revise its bill to incorporate the full recommendations of the O'Leary commission, with no exceptions for *Time*, *Reader's Digest* or anyone else. This is a chance for Mr. Pearson and his colleagues to show that they have the strength to resist American pressure.

[*Translation*]

I should like to quote another editorial of the same newspaper, dated February 24:

[*Text*]

Far from correcting the situation, the proposed legislation would give *Time* and *Reader's Digest* the status of Canadian publications. It would even protect them against competition from any other foreign magazine which might in future try to imitate their methods.

[*Translation*]

This is very serious, Mr. Speaker, and I hope that this government will begin to take those recommendations into account.

May I quote another article from the Toronto daily *Star* dated March 17:

[*Text*]

The Canadian people have a right to insist that *Time* and *Reader's Digest* exemptions be wiped out before the legislation is passed.

[*Translation*]

I have here an article from the *Globe and Mail* which does not deal with the O'Leary commission, but quotes an actress from Sweden, Miss Greta Thyssen, as saying on her arrival in a Toronto hotel, after looking at the newspaper stand:

[*Text*]

"You don't have any magazines of your own here?" she asked. "Such a rich country—why is everything American?"

[*Translation*]

Such is the impression of foreigners when they arrive in our country and look at newspaper stands.

May I quote another article from the Montreal *Star* dated March 19:

[*Text*]

If it was china or tinware, if it was boots and shoes, if it was shirtwaists or any other form of textiles, the government would have moved in, horse, foot and artillery, to stop the imports. But these two magazines import into this country their whole editorial content, collected at a cost greatly exceeding the budget available to any Canadian magazine, and use it as the bait to attract advertising which might otherwise be available to a genuine Canadian magazine.

[*Translation*]

And later on the article goes on:

[*Text*]

What is of particular interest to Montreal is that these perversions are both "produced" here.

Time operates an editorial office in the constituency of St. Lawrence-St. George, represented in parliament by the Liberal, Mr. John Turner. It is printed in the town of Mount Royal, represented in parliament by Mr. Alan Macnaughton, also a Liberal. *Reader's Digest* is "produced" in a leased building in the riding of St. Antoine-Westmount, which is represented by the Liberal Minister of Industry, Mr. C. M. Drury.

[*Translation*]

Here, I do not wish to accuse the Liberal party, because last year, under a Conservative administration, the introduction of a similar bill was contemplated.

I think that this year, we should go hand in hand as we did on the Maritime Union Trustees Act, because we are concerned with the protection of a Canadian industry. All parties should join together to recognize that *Time* and *Reader's Digest* are a nuisance for Canadian publications.

Mr. Speaker, the hon. member for Berthier-Maskinonge-Delanaudiere (Mr. Paul) who likes to specify that members he refers to are not in their seat—I shall tell him that he is not in his seat—discussed a while ago the matter of a Gaspe peninsula railway between St. Anne des Monts and Gaspe. I should like to point out on that matter that the railway was to go from Matane to St. Anne des Monts.

I have long been interested in that matter of a railway for the Gaspe peninsula because I am a lover of that region. I have been going there every year for a number of years and last year I was disgusted when I witnessed the type of election patronage carried on by the Conservatives. At the time I asked the then minister of transport, the hon. member for Three Rivers (Mr. Balcer), a question. That question, which was put on the order paper on December 3, 1962 under number 1,007, was as follows:

What progress has been made in the construction of the railway line between Matane and St. Anne des Monts, and has section 6 of the enabling act been complied with?

Let us recall that section 6 provided that the minister of transport must bring a report before parliament within the first 30 days of the session before the date of completion set or forecast in section 1. At that time, no report had been made and here is what Mr. McBain, then parliamentary secretary to the minister of transport, replied:

(e) The Canadian National Railways are making a detailed survey but the report on that survey has not been received yet.

That was on December 3, 1962, and the bill had received royal assent on March 23, 1962.

A report for the year 1962 will be submitted to parliament early in the new year.

[Mr. Marcoux.]

Now, Mr. Speaker, we know that an order in council was passed on April 5, 1962, under P.C. No. 1962-481 and that another one was passed on May 2, 1962, under P.C. No. 1962-656.

The latter provided the C.N.R. with an amount of $100,000 to start on the project and to be used during the period between April 16 and June 30, 1962.

We have a report from Mr. Gordon, the president of the C.N.R., dated June 18, 1962, no, that is the elections took place on June 18, and it is very important to insist on that, for before the elections, orders in council were passed, and they tried to buy a good number of votes by suggesting that the people living in the Gaspe peninsula would get a railway.

In May 1962, or June 1962, it is somewhat difficult to tell, the Canadian National Railways handed back to the crown an amount of $30,000, alleging that an amount of $70,000 sufficed to pay the cost of engineering works necessary for the preparation of estimates.

Mr. Speaker, the former prime minister stated at the time, as reported in the Quebec newspaper *Le Soleil,* and I quote:

You shall have your railway, said the Prime Minister before the crowd attending the meeting last night.

The railway was never built because it was not profitable, but especially because the Conservative party never intended to build it, despite the passing of an act. Strangely enough, previously, very few people, if any member of the Conservative party, even the former prime minister, knew that the line connecting Mont Joli and Matane was the property of the Canada and Gulf Terminal Railway Company and did not belong to the Canadian National Railways. The railway was the property of the abovementioned company, and this company demanded, for the use of its tracks, the sum of $110,000 per annum. However, all those details were learned afterwards, which makes it possible to tell the hon. member for Berthier-Maskinonge-Delanaudiere that his party never intended to help this area much more than the Liberal party.

I do not wish to elaborate, since I know the hon. member for Levis has requested that some 20 minutes be left for him.

And speaking of Gaspe, it reminds me of the Trans-Gaspe Television Company which, for the past five years or so, has been trying to obtain a private station to serve the Gaspe area, which, in some districts, has no television service yet. Some people objected to that television station, and an indescribable pressure was brought to bear. I do not want

to describe what happened at this time, but perhaps the day will come when I can deal with it more fully.

After having heard the television company's request, the board of broadcast governors gave a negative answer pretexting some technical matter. Yet, when the directors of the company succeeded in settling the technical problem, they approached the B.B.G. once more and their request met with a refusal. Whereas, at the start, the request had been refused on technical grounds, it now was rejected for some financial reason.

Now, the financial problem having also been settled to everybody's satisfaction, the operators again approached the board of broadcast governors and, once again, the governors refused them a permit, while allowing two other television stations to extend their services, suggesting that, at some places, they establish satellite stations, which would not pay their way and are giving no results whatsoever, because those private companies had to limit their service to the areas allotted to them.

It was also pointed out that the C.B.C. should have priority over private stations when extending its network.

Well, let the C.B.C. come to an understanding with the operators of that station in order to be in a position to provide a service to those people who now are not getting any.

Mr. Speaker, the hon. member for Berthier-Maskinonge-Delanaudiere and many others seem to think of the Gaspe peninsula as a neglected area. That is true. But when we say that it is neglected, even as far as television is concerned, I maintain that the government has got to do something. If the members of the board of broadcast governors refuse to co-operate and to change their decisions, well, let the Minister of Transport (Mr. Pickersgill) be compelled to grant a licence, in spite of the decision of the board of broadcast governors.

There are some who might claim that the project is not economically sound. I have looked into that side of the question. True, I am no expert, but I did study the matter, and even the operators of the company that wanted to build the station are ready to finance the project. That goes to show that the area is recognized as economically sound and that the company would be able to serve its people. The operators have the means to do it. There is absolutely no reason why they should be prevented from building a television station to provide a service that the people in the Gaspe peninsula have a right to expect, for they are human beings just like any other citizens from any other area in this country.

Mr. Speaker, I want to be brief in order to comply with the wishes of the hon. member for Levis. However, there are a few comments I wanted to make about the Beauport shore line. We have there a problem which the Minister of Transport, in co-operation with the national harbours board, should make up his mind to settle once and for all, because it has been under consideration for eight years. Besides, some individuals paid as much as $18,000 for land surveying, but unfortunately, the problem was submitted to the only legal adviser of the national harbours board and that adviser did not have time yet to make a decision. In my opinion, this situation is rather discouraging for the owners of properties on the shore of the Quebec harbour and along the St. Lawrence river.

Mr. Speaker, I will restrict myself to these remarks for the time being, but I shall have the opportunity to deal with this matter later on.

Mr. Raynald Guay (Levis): Mr. Speaker, I wish to thank especially the hon. member for Quebec-Montmorency (Mr. Marcoux) who was kind enough to give me a few minutes of his time to enable me to deliver my first speech in the house.

I should like to deal briefly today with some objectives of the budget introduced recently, and also with some results which can be expected.

Mr. Speaker, on taking part in this debate after several members on this side of the house, I wish to pay tribute to the Minister of Finance (Mr. Gordon) and reiterate our entire confidence in him.

In this budget, there is one thing which especially holds my attention; it is that the government has devoted an important part of the budget to students. Indeed, I am especially interested in the problems of students, because it was somewhat my own case about two years ago.

I am very grateful to the government for having increased the tax exemption from $300 to $470, for having allowed the deduction of the part-time students' school fees and especially for the $10 family allowance to students 16 and 17 years of age. In addition, I would be very pleased to see the establishment of an interest free loan system guaranteed by the government without any tax increase.

I am also proud to note that the government did not forget private businesses by extending our tax exemptions till 1967. As the Minister of Finance pointed out, the economy of the country has improved and I will add that it is especially in good hands. Unemployment has not been as low for years. The

prospects for 1964 seem, therefore, bright and all Canadians have regained confidence in the future.

Of course, hon. members opposite criticized the budget, as they have the right to do, but if they had analysed as closely their own budgets from 1957 to 1963, if they had really taken the trouble, on the occasion of every one of those budgets, to pass if only one really important piece of legislation to promote the economy and check unemployment, the situation on April 8, 1963, would not have been what it was. Fortunately, our government took the situation in hand. The measures taken in the first budget introduced by the Minister of Finance proved to be the best and that he was right.

That is why he still enjoys my confidence and I endorse his views. Like all previous speakers, I should like to state my personal opinion concerning the current problems of bilingualism and biculturalism.

Governments must act, first of all in order to repatriate our constitution and then to amend it, so that it might be better adapted to our rights and aspirations in this 20th century, and this goes for English Canadians, French Canadians and Canadians of other ethnic origin. I should like very much that French Canadians with equal qualifications might have the right to hope for high positions, executive posts in all departments. That way, in all departments, the French Canadian voice would be better heard, better understood and better respected. In fact, how many departments and crown corporation do not have enough French speaking officials? Therefore, it is my contention that this problem will be settled to everyone's satisfaction at government level. In that respect, it is satisfying to note a significant improvement in the situation through government's efforts and officials' co-operation.

Some hon. Members: Hear, hear.

Mr. Pigeon: Except three English speaking deputy ministers in key departments.

Mr. Guay: I hope the hon. member for Joliette-L'Assomption-Montcalm will let me finish my speech. However, I will not follow his example; should he ask me a question, I will answer it.

Mr. Pigeon: Will the hon. member allow a question?

Mr. Guay: Yes, when I have finished my speech.

The present government has done a lot but we will have to do even more otherwise we run the risk of failing, of never finding a solution to the problem. Everybody is ready, English Canadians, French Canadians, in short, Canadians. Let us do something for it is high time we did. We want a true solution, otherwise separatism, which I would call extreme nationalism, and which is rearing its head in the province of Quebec as well as in the other provinces, will gain impetus and disaster might become unavoidable.

It is often said that separatism is unthinkable but the longer we shall wait to settle the problem, the more we will be reminded of it. We cannot indulge in the luxury of ignoring separatism, but we cannot cure the evil by a mere poultice, because we will have to start all over again in 15 or 20 years from now. We must find a proper solution and there is only one. I trust that the present government has in co-operative federalism a formula better than any other formula ever introduced before. Dialogue has started and must be carried on. Thus, our Prime Minister and the premiers of the ten provinces will find this solution and the appropriate medicine will be administered by a specialist who was able to diagnose the disease and to understand the aspirations of both ethnic groups, having in mind this old saying that the most bitter medicine is often the best. We must not be soft spoken, but firm and wise.

Of course, there is no question of accepting only compromises; we must be firm, but we must remember that the other party has problems also. The province of Quebec does not seek only to obtain concessions; it will actively co-operate in the solution of all the problems, not only of its own.

In my opinion, the Prime Minister has found the right formula, that of a dialogue carried on at federal-provincial conferences and which, in a single year, has given more than all the fine speeches made and all the sanctimonious principles voiced by all the parties. Let us put an end to empty speeches. We must now take concrete action. As I say, we must act because the situation is urgent. We have discovered the first symptoms, so let us not wait until the cancer has become generalized. Thus, we will have worked towards a common goal and, in 1967, we will all be happy citizens of a strong and united country which will have a new and dynamic constitution; we will celebrate the centennial of confederation and the first day of our rejuvenation in the best interest of all and of national unity. Because, in unity alone, we will be able to make of our Canada one of the chief powers in the world before the end of the centutry. Quebec's independence will never be profitable in any respect to herself or to the rest of Canada. We French Canadians have rights and we intend to have them respected, but, on the other hand, we know that others have equal rights and we intend to respect them.

It does not mean melting the two races, the two cultures, but rather uniting them in order that they may understand and respect each other better, and to define my thought more clearly, may I quote Mr. Marcel Faribault who said recently:

> Culture may also describe the social characters of a people, of which it is a jealously guarded secret treasure: a treasure, because it belongs to that people alone; a secret, because it always includes slight faults and, at last, a jealously guarded object, because it could not be fully experienced or embraced other than by marriage or by being adopted in the family.

As far as Quebec was concerned, the problem appeared simple enough, and since it is an indubitable fact that there are in Canada two great cultural and linguistic currents, should there not be a degree of reciprocity between them, based on mutual respect, social exchanges and means of communication? Relations should, therefore, constitutionally, socially, politically and economically, stem from the establishment of definite institutions. However, the two extremist factions contest these premises: at one end are those who contend that all this is refinement which will fade away in the face of national unity; at the other, those who say that not only two but several cultures are in conflict. The first objection, from the point of view of unity, is obviously the result of confusing political unity with cultural unity: it ignores the fact that our federal form of government, contrary to its American counterpart, is not primarily based on sectional considerations, but on the two cultures which at that time divided nearly equally the majority of the population. Five and a half million Canadians, or 30 per cent of the population, are a constant reminder, a constant assertion, of this duality, since they relentlessly protested for the past 94 years against all customary amendments to the provisions of the pact of 1867 and, today, they are practically unanimously requesting a revision of the constitution. The dissidents, they are few and far apart, have simply given up hope of obtaining the revision and that is why they favour independence, just like all Irredentists.

Mr. Speaker, as a member from a constituency whose main industry is the shipbuilding, I am naturally most interested in that industry.

There is great concern in the shipbuilding industry at the present time, especially since the program for the building of frigates has been cancelled and Great Britain has been awarded a contract, following previous commitments of the former government, to build three submarines.

In my opinion, it is urgent to solve this problem by establishing a merchant marine. This would create employment not only in shipyards but also for seafarers. Otherwise we might see the closing of our shipyards and an alarming increase of unemployment in all areas where they are located. The shipbuilding industry instead of becoming one of the chief industries of our country would be done away with and this would be disastrous for all of us.

In my constituency and also in nearby ridings it is customary to say that when shipyards are doing well, everything is fine. For us, when the shipyards are running smoothly the whole economy of the area benefits, and vice versa.

I have already made several representations to certain ministers in order to obtain employment for the workers of my constituency; they thought I was stubborn, but I wish to let them know that I will persist and that next time, I will even be more stubborn. I shall renew my efforts, because I am only demanding our fair share of work with no intention of depriving the others of anything.

The people of my riding are hard working, proud and quite determined. And who could blame them? That is why I wish to make it clear that we too are strongly against the vile political haggling of government favours that goes on too often, unfortunately. We are not asking for more in order to get less. As responsible citizens well aware of the huge needs of the whole country, we are only asking for what we are entitled to.

Levis is an important area of Canada, and our great province is an integral part of Canada. Quebec has largely contributed in the past to the development of the country and I have the firm conviction that its contribution will be much greater in the future.

The Minister of Transport (Mr. Pickersgill), who is well aware of the situation, is kindly asked to give it a special consideration and to take the necessary steps to ensure the survival of that important industrial centre on the south shore.

Mr. Speaker, we must not forget the protests voiced by several labour unions with regard to the construction, in Japan, of 18 freighters, at the cost of $1 billion, on behalf of Canadian Javelin Company, for transportation of iron ore of our country, outside our boundaries. It becomes obvious that we must protect our shipyards. Time has come for us, now more than ever, to build our own merchant marine.

At this point, I should like to quote from bulletin No. 5 of the Canadian Shipbuilding and Ship Repairing Association, but time does not permit it.

Division

In an average year, more than 141,000 ships, ocean-going or coasting vessels, load and unload in Canadian harbours, some 102 million tons of goods from all the countries in the world. If Canada wants to get its share of this important industry, there is no doubt that it needs its own merchant marine and modern and active shipyards.

There is reason to believe that Canada intends to devote more attention and efforts to the study of our coastal waters, including the Arctic. On both sides of the Atlantic, governments are beginning to realize the great resources to be derived from the waters covering their country's continental shelf. Should they lag behind in the race towards full development of the wealth of the sea, nations will put the coming generations under a heavy handicap.

That is why, rather than just for strategic or military reasons, the Soviet union and the western countries are studying the matter and taking steps to develop the resources of the sea. Without an ocean-going merchant marine and any harbour facilities, even a country like Canada, with its 20,000 miles of coast line, can actually miss the boat.

A maritime nation without ocean-going ships, without modern harbours and well-equipped shipyards is a paradox we cannot afford. That is why, Mr. Speaker, on the basis of the report made by the royal commission on coastal trade published in 1957, I shall submit to the government a few proposals which I consider urgent.

1. That the jurisdiction over coastal trade be extended up to the strait of Belle Isle, Newfoundland being a Canadian province.

2. That ships be built and repaired in Canada, be registered in Canada and have their home ports in this country.

[*Text*]

Mr. Diefenbaker: Mr. Speaker, I rise on a question of privilege. I should like to explain the position that this party will take in relation to the subamendment moved by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Cameron). This subamendment has the effect of removing the essence of our amendment. If we were to support it we would, in effect, be voting against our own amendment. We will therefore vote against the subamendment.

The house divided on the amendment to the amendment (Mr. Cameron, Nanaimo-Cowichan-The Islands) which was negatived on the following division.

YEAS

Messrs:

Barnett
Beaule
Boutin
Cameron (Nanaimo-Cowichan-The Islands)
Caouette
Fisher
Gauthier
Herridge
Knowles
Laprise
Mather
Orlikow
Perron
Peters
Plourde
Prittie
Rondeau
Scott
Webster
Winch—20.

NAYS

Messrs:

Addison
Aiken
Alkenbrack
Armstrong
Asselin (Notre Dame de Grace)
Asselin (Richmond-Wolfe)
Badanai
Baldwin
Basford
Bechard
Beer
Bell
Benidickson
Benson
Berger
Bigg
Blouin
Boulanger
Byrne
Cadieu (Meadow Lake)
Cadieux (Terrebonne)
Cameron (High Park)
Cantelon
Cardiff
Cardin
Caron
Carter
Casselman, Mrs.
Chatterton
Chretien
Churchill
Clancy
Coates
Cooper
Cote (Longueuil)
Cowan
Crossman
Cyr
Deachman
Deschatelets
Diefenbaker
Dinsdale
Doucett
Drury
Dube
Dupuis
Emard
Enns
Fane
Favreau
Fleming (Okanagan-Revelstoke)
Flemming (Victoria-Carleton)
Forbes
Forest
Forgie
Foy
Francis
Frenette
Gelber
Gendron
Girouard
Godin
Gordon
Granger
Gray
Groos
Guay
Gundlock
Habel
Hahn
Haidasz
Harkness
Harley
Horner (Acadia)
Horner (The Battlefords)
Howard
Jewett, Miss
Jorgenson
Kelly
Kennedy
Klein
Konantz, Mrs.
Korchinski
Lachance
Laing
Lambert
Lamontagne
Lamoureux
Laniel
Laverdiere
Leduc
Lessard (Lake St. John)
Lessard (St. Henry)
Loiselle
Loney
Macaluso
Macdonald
MacEwan
MacLean (Queens)
MacNaught
Macquarrie
MacRae
McBain
McIlraith
McIntosh
McLean (Charlotte)
McWilliam
Mandziuk
Marcoux
Martin (Essex East)
Martineau
Matheson
Matte
Monteith
Moore
More
Moreau
Morison
Muir (Cape Breton North and Victoria)
Muir (Lisgar)
Mullally
Munro
Nasserden
Nesbitt
Nielsen
Nixon
Nowlan
Nugent
O'Keefe
Olson
Ormiston
Otto
Ouellet

Pascoe
Patterson
Paul
Pennell
Pepin
Pickersgill
Pigeon
Pilon
Prud'homme
Pugh
Rapp
Regan
Rheaume
Ricard
Richard
Rideout
Rinfret
Robichaud
Rochon
Rock
Rouleau
Roxburgh
Ryan
Sharp
Simpson
Skoreyko
Slogan
Smallwood
Southam
Starr
Stefanson
Stenson
Stewart
Tardif
Teillet
Temple
Thomas
Tucker
Turner
Vincent
Wahn
Walker
Watson (Assiniboia)
Watson (Chateauguay-Huntingdon-Laprairie)
Webb
Whelan
Winkler
Winkler—180.

Mr. Speaker: I declare the amendment to the amendment lost.

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

BROADCASTING ACT

NOTICE TO PARLIAMENT OF EXTENSIONS OF SERVICE

Mr. D. M. Fisher (Port Arthur) moved the second reading of Bill No. C-8, to amend the Broadcasting Act (disclosure of C.B.C. service extension programs, cost, and estimates for five years).

He said: This is a very narrow bill, but before I launch into the reasons for it I think it is always fair, when you are speaking of the C.B.C. to make some general remarks by way of introduction. This is partly because this is a famous Canadian institution, partly because it is notorious and partly because its reputation, to say the least, is equivocal.

I should like to make the point immediately that this bill has the approval of my colleagues and reflects our party's attitude toward this particular segment of the C.B.C. In this party we happen to be, like other parties in the house, great proponents of the C.B.C. but at the same time some of us are very critical of the C.B.C. In essence, this bill represents a criticism of the way the C.B.C. has gone about extending its services in the last decade or so, particularly since television has become important. It is an attempt to put an onus upon the C.B.C. to be much more clear and direct in its policy with regard to the extension of services.

Before I get into that, Mr. Speaker, I think it is well to remember that in the area of broadcasting and a national broadcasting policy, you not only have a number of agencies involved in actual broadcasting, such as public broacasters and private broadcasters, but there are other agencies including the Department of Transport through the Radio Act licensing, organizations such as the community antennae organizations and also the board of broadcast governors. There is also the fact that the cabinet or government at any time has a general responsibility to have a broadcasting policy for the country that enables both the country and parliament, as well as members of parliament, to see just what is intended.

It has been my conviction for a number of years that the whole broadcasting policy of this country has tended to be fudged and blurred. We had a typical example yesterday when the Secretary of State (Mr. Lamontagne) brought into this house, at long last three years after the question was first raised, a statement concerning the policy, intentions and beliefs of the board of broadcast governors with relation to community antenna television. This is just an indicator of the confusion. One of the reasons that we have a problem with community antenna television in this country at the moment is that in the past the Canadian Broadcasting Corporation moved so slowly, without making any projections of how it was going to extend services in this country. I know personally of at least six places in this country that have community antenna television systems for which people are paying individually as much as $125 for installation and $5 per month in charges. This would never have been necessary if the C.B.C. had risen to its responsibilities to cover the country.

In its last annual report concerning television the C.B.C. maintains it covers 92 per cent of the country. One of the reasons they can make this statement is that a great many Canadians are paying through the nose for their hook-up with community antenna television service. There is still 8 per cent of the country that requires to be served by this Canadian Broadcasting Corporation.

One of the effects of this bill, as anyone can see if he looks at the explanatory note, is a minor change to section 36 of the Broadcasting Act. The corporation would be required to append to its report particulars of each extension to the national broadcasting service within Canada that was undertaken or completed during that financial year, the cost thereof, as well as particulars of each such extension the corporation proposes to undertake or complete during the five financial years next ensuing, and the estimated cost thereof.

To members of the house who may be critical of this bill, I would say you can divide

it up into two parts. First of all, if any hon. members look at the annual report of the Canadian Broadcasting Corporation, they will quickly see that the president is not reticent at all about setting forth any extensions of service. However this is always done within the text. There is no clear picture, beyond just the individual extension such as, for example, an extension to Dryden, Sioux Lookout and Kenora or the extension up into Thompson lake area a few years ago. We cannot see this very clearly.

Hon. members are more likely to question requirements projected for five years ahead. I should like to suggest to you that the C.B.C. itself, and many people interested in broadcasting, have been asking for a five year projection. As a matter of fact, in our broadcasting committee in 1961, this was perhaps the main thing that Mr. Ouimet brought before us at that time. At one time during the hearing, he gave an outline of the projections. It can be found at page 803 of the proceedings of the broadcasting committee in 1960-61. I am reading from a Canadian Broadcasting Corporation forecast of operating costs in revenue years 1962-63 to 1966-67. Anyone who will take the trouble to compare this forecast with what has actually transpired in the last two years will find that, in terms of parliamentary grants, the C.B.C. has been fairly accurate. The grants have been maybe $2 or $3 million under the estimates. What happened from 1960 onward is that the C.B.C. did not forecast the increase which took place in its commercial revenues. Nevertheless, this forecast indicated that the C.B.C. could really make a good projection.

If anyone cares to look at page 804 he will find in appendix B a five year projection of proposed expansion from 1961-62 through 1965-66 included in one of the items as improvement in coverage. The figures are as follows: in 1961, $1,907,000; in 1962-63 $2,717,000; in 1963-64, $2,078,000, and so on. It goes right through to the end of 1966, and the total for the five year period is $9,925,000. I want to point out, in other words, that the C.B.C. has made a projection, and all I am asking is that the projection be placed within the annual report so as to indicate the responsibilities.

Some hon. members may say, perhaps: "What about population shifts? If the C.B.C. is adjusting to population shifts the projection might not be reliable". Well, my experience is that the C.B.C. tends to wait for the dominion bureau of statistics; it waits for the census figures which come out at ten year intervals. So that is really not a valid objection.

[Mr. Fisher.]

I submit, too, that the C.B.C. very much needs to give us detailed projections. Do hon. members think we would have this CJBC fuss, with all the controvesy that has gone with it, if the corporation had been obliged to project this particular matter? I say this because it is a matter which involves a change in the service given across the country. This amendment does not deal with programs in any shape or form. It is concerned strictly with service extensions, and as I see service extensions, the term covers radio and television on both the English and the French networks. It means the international service. It has nothing to do with capital structures such as buildings in Ottawa, Montreal or Toronto. But it does include anything to do with the extension of the service to more people, or with giving a variety of programs to more people. This means that in the corporation's tremendous desire to fulfil its mandate, for example to extend the French language and French language programs across the country, it would be required to append to its annual report a five year projection showing how it intended to do this, together with an estimate of the cost.

Obviously most members bring forward private members' bills because the area of interest is one which touches them very closely. Along with the hon. member for Churchill (Mr. Simpson), hon. members from areas such as Saguenay, and others in the north, I have been interested in the extension of services. We represent areas which, so far, are not served at all. How do we feel when we hear about an extension to Edmonton where they already have television, or an extension to St. John's, where they already have a service, or about the conversion of CJBC to bring French to southern Ontario? These are all worthy things to do, but the point is that in the Toronto area people already have all manner of excellent radio and television services. There is television already in St. John's, Newfoundland. There is television in Edmonton. But there are parts of this country where it is still impossible to get television reception, and the C.B.C. is not moving very fast in fulfilling this portion of its mandate.

The C.B.C. tells us it has a formula. Yes, it has a formula, and it is a mysterious one; most of us have difficulty in figuring it out. The C.B.C. pleads poverty. Mr. Ouimet pleaded in 1960-61: We are doing our very, very best. But in the very next year the corporation handed $7 or $8 million back to the treasury, presumably as an example of how efficiently it was operating—"We don't really need to take up all the money that is provided in our budget". How can this be explained to the people who still do not enjoy radio or television coverage? Here we see the corporation

handing back government funds and, let us say, commercial revenue, at the same time as Mr. Ouimet and his followers are telling us they are doing their best for the people who still do not enjoy coverage.

Look at what is involved in the budget of $100 million or $110 million a year. Every member here knows that this is big money. One hundred million dollars is not to be sneezed at. Yet note the budget for extension of services. It is something over $1 million—up to $2 million. It really is pettiness. This is why I tend to become a little sceptical about this C.B.C. mandate, though some of my colleagues disagree with me here. I wonder how much the directors of the beloved corporation are really thinking about the Canadian population as a whole. Is it possible that they have got a metropolitan syndrome and see everything in terms of these great aggregations of people, these big market areas where it is possible to obtain commercial revenue and get a reception large enough to be able to say: These are your ratings? This is bound to be the suspicion, when one considers the small fraction of the budget which the C.B.C. sets aside to extend its services.

The corporation talks about the cost per head, and says: Oh dear, we have to move very carefully and wait until the next census to see how the population is growing. If the C.B.C. believes its mandate, it will take the necessary steps to provide service to 100 per cent of the Canadian people as soon as possible, before it begins providing secondary or tertiary services or other extensions and diversions to those people in Canada who are already covered. In this whole field of cultural entertainment there is not any question about it that a minority in this country is going short, and their complaint is that they are going short while they are paying for the service as general taxpayers.

The reason we would like this amendment to the bill and we know it would require the co-operation of the government, the treasury board associated with it, the C.B.C. and the board of broadcast governors, if they have any responsibility in supervising and directing the whole broadcasting policy—is to get complete broadcasting to the people.

The reason that we have a community antenna problem is because of the failure of the C.B.C. to move more quickly to extend service. This is one of the reasons why we have so much criticism of the C.B.C., particularly in the rural areas. It has moved too slowly to extend its services, but I am not going to suggest that there has been any favouritism in the extension of the services it has made.

One of the beliefs in my part of the country is that, because they have a member in opposition, services have not been extended quickly; but I would point to the fact that it was when the hon. member for Kenora-Rainy River (Mr. Benidickson) was in opposition that the main extension of services in our part of the country took place.

Mr. Benidickson: The hard working member.

Mr. Fisher: All right, the hard working member for Kenora-Rainy River. But I do feel there is an unevenness, a mystery, a lack of planning or lack of projection, and I think this amendment would correct it. I suggest it will cause no great damage to the C.B.C.

If hon. members or others would care to read more into this bill they will find a lot of useful information in the report of the 1960-61 committee on broadcasting, from pages 800 to about 830, when a number of hon. members quizzed Mr. Ouimet on the subject. All I can say is that in the succeeding three and a half years we have made very little progress in this regard.

I suggest that it is time the corporation, the B.B.G. and the government began to do some serious thinking about the problem implicit in this bill. There is much more I would like to go into, particularly as it relates to my own area, but in terms of A and B contours in television, in my riding with a population of about 90,000, about half of it has an A and B contour and one third really has no television at all. Yet, during the last 11 years they have seen the microwave towers in that area, and they know that crackling through the air in the manner of magical science C.B.C. and other programs are carried. They also know that the ingenuity of our engineers could easily take the programs from the microwave system.

We cannot understand the slowness, and that is why I ask hon. members to support this bill and take an interest in it. It means something to those people of mine, and to the 8, 10 or 12 per cent of the population who are still doing without what today is considered to be an almost inalienable right of Canadians, that is, a national television service and a national radio service.

Mr. J. B. Stewart (Antigonish-Guysborough): Mr. Speaker, the hon. member for Port Arthur (Mr. Fisher) has suggested that the bill now before us would really effect only a minor change in national broadcasting. On the face of the matter he is correct, but if we look at it a little more carefully we find

that it raises in a most direct way the problem of the relationship between a crown corporation, such as the C.B.C. and parliament.

We want our national broadcasting service to be removed as far as possible from the shifting winds of political opinion. We believe it best that the corporation should not be rocked in its judgment by every favourable breeze or by every blast of denunciation. On the other hand I think we would all agree we do not wish the corporation to be wilful or capricious.

It is only realistic to remind ourselves that there is no such thing as a sure or foolproof arrangement by which we can accomplish both these ends. The result is that we balance them all rather uneasily in a tension one against the other. We have a certain arrangement, and the hon. member for Port Arthur has suggested that in general he values this arrangement. I would agree with him. That arrangement has worked reasonably well.

I do not wish to argue that the hon. member intends to disrupt the prevailing system; nor indeed will I argue that if this bill were to pass it would bring on vast disorders that the hon. member did not foresee, but I do want to explore some of the implications of the bill.

As the hon. member who introduced it suggested, the bill points to both the past and the future. First, it provides that the corporation shall append to its annual report particulars of each extension to the national broadcasting service within Canada that was undertaken or completed during that year, and shall show the cost thereof. Second, it provides that with its annual report the corporation will give particulars of each extension the corporation proposes to undertake, or to complete, during the five financial years next ensuing, together with a statement of the estimated cost thereof.

At first glance the provision concerning each extension during the previous fiscal year seems reasonable enough. It can be contended, and I think many of us would be inclined to contend, that the C.B.C., to a large extent, is spending public moneys, moneys voted by parliament, and that surely it is not too much to expect the corporation to make an accounting of that part of its annual expenses spent on network and transmitting facilities in the case of each new area serviced. But let us remember that by enacting such a requirement we would be exposing the corporation to a spate of invidious criticism. Indeed, we would be inviting invidious criticism of our national broadcasting system.

The corporation already serves most of the Canadian people. Fully 93 per cent of our people are already within range of at least one Canadian television station, and about 65 per cent do have a choice between or among Canadian stations. Those people who are not yet served live, as the hon. member pointed out, in sparsely populated areas, where the cost per capita of providing facilities inevitably is relatively high, and in some cases extremely high.

It is not always realized by all that the C.B.C. is no mere commercial venture, that it has a special role or function in the development of Canada's national culture and aspirations. If it is to perform this function it cannot be tested, especially when services are to be extended to the more sparsely populated areas of the country, by mere, normal, commercial standards. And this, the judging of these extensions by inappropriate commercial standards, is precisely what one might anticipate if this bill were to be enacted.

I had guessed, Mr. Speaker, that this bill was introduced because the hon. member wishes to hasten the extension of C.B.C. coverage in certain areas. He has confirmed the validity of my guess. I did not make this guess simply by ratiocination. I happen to come from a part of the country where we do not enjoy the best of television broadcasting, even though C.B.C. transmission passes directly through the area, so I know whereof he complains. But it would be unfortunate, I think, if the enactment he suggests had precisely the opposite effect to which he desires. I suspect there are people in the country—

Mr. Fisher: You are not suggesting that this bill could possibly force the C.B.C. to limit its expenditures for development extensions?

Mr. Stewart: I suspect there are people in the country who, if they saw some of the actual costs that would be entailed in putting in transmission lines and then of course transmitters—and transmission lines tend to be the more expensive—might very well begin to question the principle of a full national service.

Mr. Fisher: I wonder if the hon. member knows that never in the last ten years has the extension of services exceeded more than 2 per cent of the C.B.C.'s budget?

Mr. Stewart: I am not questioning the desirability of extending services, nor indeed of extending them faster, but I am arguing that by publishing these very costly details in many instances we would simply invite a rash of criticism, and I would think improper criticism.

Mr. Fisher: It is improper now.

Mr. Stewart: Well, if it is improper now it would certainly be worse if the hon. member's bill passes. At page 224 of the report of the royal commission on broadcasting, made in 1957, there is the following sentence:

> We also feel that, while no rigid line can be drawn, the cost of extending coverage beyond the level of 90 per cent of the population would not be justified, unless and until the Canadian population is substantially larger and more concentrated, or new technological developments in television reduce the costs of reaching scattered groups of people.

That the corporation has not been wasting time is shown by the fact previously mentioned, that at present 93 per cent of the people in this country are already within range of at least one Canadian television station.

The disadvantages of the second aspect of the bill—the provision for the publication by the corporation of particulars of each extension of the service proposed during the five financial years next ensuing—are more immediately obvious. As a framework for investigation, the corporation does maintain a moving five-year projection of service extensions either being considered or already in progress. The bill now before the house proposes that this projection be set forth in the annual report of the corporation.

If this projection were a plan, the bill might have some merit; but strictly speaking it is not a plan. Initially a highly tentative priority list of extensions is prepared, with the order of priority determined by the ratio of the population to be served to the money necessary to be expended to serve them. But the order of this tentative list will change, and a list published today I submit might be out of date within six months. First, when the physical characteristics of an area are examined and when quotations have been received, that area may be raised or lowered on the priority list. Moreover the cost factors may vary from year to year.

Second, the Canadian Broadcasting Corporation's plan, or projection—the latter is the more exact word—may be altered by the planning of private companies who may decide to erect stations or satellites. Third, an effort is made by the corporation to maintain some kind of equitable balance between extensions in the French language and extensions in the English language. It would hardly be appropriate, I submit—

Mr. Fisher: That is a little out of kilter right now.

Mr. Stewart: —if expenditures on extensions in a two or three-year period were concentrated entirely on one language or the other. Fourth, special attention is given to the frontier factor. Some people might say, disagreeing with the hon. member for Port Arthur and myself, that this is wrong; but this factor does indeed alter the priority list. Fifth, there are changes that will take place, particularly in the so-called frontier areas where economic boom, and sometimes, unfortunately, economic bust are faced.

The effect of the publication that would be required by this bill if enacted would be either to harden exploratory projections into fixed, almost invariable plans, or irresponsibly to encourage expectations within the commercial sector of the broadcasting industry and, for more importantly, among the people at large. At present, Mr. Speaker, the C.B.C. is dependant on an annual vote by parliament. It may be that it would be better for parliament to deal with C.B.C. financial matters on a five year, rather than a one year, basis—

Mr. Fisher: That is the policy of your party.

Mr. Stewart: —but that is not the question that is before us this afternoon.

Mr. Fisher: I am just trying to introduce Liberal policy.

Mr. Stewart: Mr. Speaker, the hon. member will find that any assistance he and his friends wish to give us will be very welcome, despite the subamendment voted on earlier today. There is another point that I wish to draw to your attention, Mr. Speaker. This bill would require the corporation to publish information about services to be undertaken at public expense, even though parliament had not yet voted that money. Whether this bill is in order is at least questionable; but I do not propose to raise that question. I merely wish to suggest that it would be highly undesirable for this house to pass a bill that would have the effect of requiring the C.B.C. to anticipate publicly and in detail decisions of parliament concerning public expenditure.

Mr. F. J. Bigg (Athabasca): Mr. Speaker, I will speak very briefly on this matter because I would like to see this bill come to a vote. I think that too often our private members' bills are frustrated, and I do not think they should be frustrated just because they are private members' bills. This bill introduced by the hon. member for Port Arthur (Mr. Fisher) has a great deal of merit. As so often happens, the people who put bills through parliament and set up crown corporations are not doing it, I think—and I will give the best interpretation that I can—in order to abdicate their duty to the Canadian people. Quite the contrary; they are setting

up what they feel is efficient machinery for putting our will into operation. At no time—certainly I can speak for myself, and I think I speak for the average member of parliament—have we had any intention of giving up our interest in the matter merely by saying that such-and-such a corporation shall take on the responsibilities of running our transportation system, our mining for uranium, or our cultural media in the form of television.

The argument that 93 per cent of the people are already covered seems to me very specious, because the 7 per cent who are not covered—incidentally, in my own particular case, in Athabasca, perhaps 35 per cent to 40 per cent of the population are not covered—require T.V. a good deal more than do the people in the congested areas. If people in congested areas wish to go to a cultural medium, for instance an operetta, they just jump on the streetcar and go. The people in many parts of my district are hundreds of miles from any entertainment medium except radio, and I would argue that the 7 per cent who are not covered at the moment need television coverage a great deal more than the people in congested areas such as Edmonton, Winnipeg, Vancouver, Toronto and Montreal. Our armed services boys who are out in far away places, often away from their families, would have a connection with their homes through television. They would know what is going on in the world and this would be the best medium possible. Therefore I do not think the percentage covered is much of an argument, either.

The fact that the C.B.C. might be forced to publish, or whatever you wish to call it, their plans or their policy is, I think, a very sound point, and certainly this is necessary so that parliament itself would know what our servants are doing. I think, in spite of the fact that they are crown corporations, they are still subject to the will of parliament as far as money is concerned, because we vote them very large sums of money and I think we cannot do our duty to the taxpayers, quite apart from those people who need coverage, unless we know just exactly what the corporation intends to do. Certainly we do not want to be patronized in any way by any crown corporation which is set up by us.

I should like to say a few words with regard to the cost involved. Over my desk every day come enormous amounts of literature, beautifully embossed. I do not know what is the cost of this literature, but a great many of the papers, and so on, that I receive contain nothing whatsoever that will assist me in bringing to the attention of this house very important items such as broadcasting and television programs for our people. I think I have made my point, Mr. Speaker, that I thoroughly endorse the spirit of this bill. Perhaps it could be drafted in a little better fashion to please the feelings of those members of the corporation who may think we are overseeing them; but I think the spirit of the bill is that we will know what is intended and will be able to do more to assist this corporation in giving the people of Canada the T.V. coverage they desire. I must commend the hon. member for Port Arthur on what I think is one of the better private members' bills to be introduced this session.

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I have every sympathy for the case that the hon. member for Port Arthur (Mr. Fisher) made respecting the availability of television coverage to some of the outlying areas, because I happen to represent one of those constituencies where some people who are far back from the television broadcasting stations and satellites simply cannot receive this service. I am also convinced that for these people even one channel of television is more important than an extra channel being provided for the cities.

As the previous speaker has just pointed out, there are other, alternative forms of entertainment available to people in the cities, apart from television. I have every sympathy with the argument of the hon. member for Port Arthur, but I fail to see how he is going to correct that situation with this bill. It calls upon the Canadian Broadcasting Corporation to give a five year projection of costs of extending programming. I believe that members of parliament have a right to know what are the financial prospects of the C.B.C., because after all we do vote public funds for that purpose. The hon. member for Port Arthur made it very clear that he was not talking about buildings and that sort of thing. I think we have the right to know about these things too. For example, we know that the Canadian Broadcasting Corporation are undertaking large, complex building structures in both Montreal and Toronto, and in the estimates for this year is an amount of something like $14 million for loans, and I suppose most of it will be used for this purpose. But when you vote $14 million on a $40 million or $50 million project, you are hooked—if I may put it that way—for the rest of it in future years.

I would remind the parliamentary secretary to the minister about this. He said it may be improper for the C.B.C. to make this kind of projection. It is equally improper for them to start on a building which they know very well they cannot finish with the amount of money that has been voted, because we

are not going to leave a building half erected, with the steel up, and then not allow it to be completed. Therefore that argument applies equally to the fact that the parliamentary secretary said it was improper for them to project their extension of programming.

Mr. Fisher: Mr. Speaker, I wonder whether the hon. member would like to answer the question that was put forward; that is, the question as to how I expected this to work. If he would look at the projection the C.B.C. itself has made he would see that for 1962-63 through to 1966-67 they project an increase in total expenditure from $100 million to $132 million. Then if he would look at the breakdown with respect to extensions of service, they are only going to creep up to $1,900,000 and then they are going to drop to $1,500,000. I think the publishing of this information would make everyone realize how picayune are the expenditures in this area compared with the programming area—and that is the area to which the impetus would be given.

Mr. Olson: Mr. Speaker, I think the hon. member who introduced the bill has now indicated that all it would do would be perhaps to provide some more influence. But technically, and in keeping with the additional responsibilities the C.B.C. would have if this bill were passed, I cannot see that it would require them to extend services into these areas which do not have service at the moment. There may be involved a factor of pressure or influence on them if members of parliament could see these projections.

I believe, Mr. Speaker, an hon. member wishes to ask me a question.

Mr. Stewart: Mr. Speaker, a few moments ago the hon. member for Medicine Hat (Mr. Olson) suggested that my final argument may have been somewhat specious because parliament is invited annually to make a vote toward the completion of some project which may have been begun three or four years earlier. I should think that the project as such had been approved by parliament in making the initial vote. In this case we are dealing with matters costing smaller amounts of money, and I do not think—

Mr. Deputy Speaker: Order. Is the hon. member asking a question?

Mr. Stewart: Yes, Mr. Speaker. Does the hon. member really think this is parallel?

Mr. Olson: Yes, Mr. Speaker, I do think it is parallel. The parliamentary secretary raised the point that this bill may be improper and may be out of order because it would require the projection of public funds, and so on. I cannot see any difference between that and the Canadian Broadcasting Corporation taking a contract, if you like, say for $40 million, when parliament has only voted $14 million. This would commit future parliaments to paying a large amount in addition.

In any event, I do have great sympathy for the argument made by the hon. member for Port Arthur. I think it is the responsibility of the C.B.C., under the act which set the corporation up, to provide service to all Canada, and while they may have reached 90 per cent or slightly over 90 per cent of the people, the fact is that the remaining 7 or 8 per cent have a greater need both for radio and for general C.B.C. coverage than most of those who already have it. But I repeat that I cannot see where the passage of this bill will in fact speed up this end result.

[*Translation*]

Mr. Gerard Laprise (Chapleau): Mr. Speaker, the bill which is before us tonight is of the utmost interest to me. I regret that the time allowed to me is so short for I would have many things to say on this matter. Nevertheless, since I should not like to be charged with killing this bill, I will limit myself to a few comments.

First, I should like to congratulate the mover of this bill. Even though I do not agree altogether with the entire contents of the bill, I agree nevertheless with the first part, which concerns the Canadian Broadcasting Corporation's development.

As for the next point, that is for the C.B.C. to project its program of expansion for a five-year period, that might conflict with private enterprise and would in no way improve the situation even if projects were known in advance.

The hon. member for Port Arthur (Mr. Fisher) spoke conservatively a while ago when he said that television services have cost a lot of money in certain districts. I should like to point out to him and to the house that in my own riding, one of the largest in Canada, Chibougamau and Chapais, two neighbouring mining towns which have a population of 13,000 to 14,000 are covered by television services.

The population is made up of miners, therefore of people whose average earnings are the highest in this country and who, consequently, are paying rather high taxes. To get T.V. services, these people have to pay $200 to get cable relay distribution, which is almost twice the amount referred to by the hon. member for Port Arthur; moreover, they have to pay a subscription fee of $6 per month, which has to be paid in advance.

I also wish to point out that these people are not given any guarantee upon signing their contract because, the person who is serving them at present does not guarantee

that he will provide that service for one year, two years, five years or any other period of time.

You can well understand in what position these people find themselves just now. It is, therefore, important that they be served just as well as we are in the southern part of the county of Chapleau where private enterprise also serves the area.

I must also say that the area I represent is very well served and the service there is excellent. Considering that television is a recognized fact by everyone, that it has become a necessity, and especially that it is a medium of information and education, since we now have televised school programs, the people of these districts should benefit from it just as those from other regions.

So, I support the previous speakers who mentioned that those who are not served now by television services are precisely those who should be the first ones to enjoy them, because they live in more or less isolated areas and they have no other means of recreation, education, and information as far as television programs are concerned. According to my information, the C.B.C. is, I think ready to serve those areas, but there is always a financial problem. Then, it would be appropriate to recommend to the government to provide the C.B.C. with the necessary funds to serve all the areas they possibly can. I was assured that it was possible for the C.B.C. to serve every part of Canada. Consequently, the government only has to make financially possible what is physically feasible and everybody will be satisfied.

Mr. Leo Cadieux (Terrebonne): Mr. Speaker, obviously many things have already been said about the bill now before us. I would not want to repeat all the arguments put forward, but, for all that, I would not like you to forget their validity.

For instance, they spoke about geographical problems as well as the difficulties for the C.B.C. to balance the distribution of French and English broadcasting facilities. I do not think that this problem can be thrust aside even if it is as acute as that which exists at the present time in the Toronto area.

Therefore, I do not want to deal again with all the arguments that have been put forward. But I think that the bill now before us contains a few provisions which are incompatible with the present position of the C.B.C.

I am more particularly thinking of the second part and speaking from an accountant's point of view. The C.B.C. operates on an annual budget, and if the corporation, which has to keep within the narrow limits of an annual budget were to be asked to establish a five-year projection of what it intends or will have to do, I think it would be impractical. Indeed, I doubt that the corporation would have any basis at all to do so, because it cannot foresee the possibilities or the generosity of parliament. Consequently, the corporation cannot suppose that it will be able to embark on such and such a project three or four years hence.

Moreover, having in mind all the arguments which have been put forward by the previous speakers, we all know that the situation may change, that a priority list which was, for instance, established this year, may be changed next year, on account of new factors, and that the corporation may have to prepare new projects.

Under the circumstances, I do not see how the C.B.C., given its yearly budget, could make a five-year projection in regard to the works it intends to undertake. The hon. member for Chapleau (Mr. Laprise) evidently raised a very good argument, that of the areas which are not yet accessible to private radio or television. I think that if the C.B.C. divulged its program for the next five years, this would perhaps discourage private enterprise which might be interested, being alone to serve areas which up to now have not been covered, and to supply radio and television service to the population of these areas.

I think we should maintain a balance between public and private enterprise and we should not, ahead of time, close all avenues to private enterprise, discourage it systematically under the terms of an act. I think we should not publish in advance projections which might be inaccurate and never come true.

Personally, and with reservations—it is a personal opinion—I might accept the first part of this amendment, because parliament has to vote money to meet the expenditures of the C.B.C., and it is therefore only legitimate to examine and check them.

As for the second part, unless the hon. member for Port Arthur wishes to move an amendment, I do not see how I could commit, for the next five years—

Mr. Deputy Speaker: Order. The hour for consideration of private members' business has expired.

[*Text*]

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

HOUSE OF COMMONS

Monday, March 23, 1964

The house met at 2.30 p.m.

SENATE AND HOUSE OF COMMONS ACT

AMENDMENTS RESPECTING DEFINITION OF POLITICAL PARTY

Mr. Guy Marcoux (Quebec-Montmorency) moved for leave to introduce Bill No. C-80, to amend the Senate and House of Commons Act (allowance to leaders).

Some hon. Members: Explain.

[*Translation*]

Mr. Marcoux: Mr. Speaker, Bill No. C-71 which was introduced last year, was the first Canadian piece of legislation to mention the political parties by name. My bill will simply include a definition of a political party and state the conditions a group must meet to be recognized as such.

Motion agreed to and bill read the first time.

[*Text*]

SOCIAL SECURITY

PERMISSION TO RETURN PAYMENTS TO GOVERNMENT FOR SPECIFIC PURPOSES

Mr. H. C. Harley (Halton) moved for leave to introduce Bill No. C-81, to amend the Family Allowances Act and the Old Age Security Act (charitable gifts).

Some hon. Members: Explain.

Mr. Harley: Mr. Speaker, the purpose of this bill is to allow the recipient of family allowance or old age security payments to donate this money back to the federal government for a specific purpose, such as an aid program or medical research, as outlined in detail in the bill.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

SOCIAL INSURANCE CARD—ADVERTISING CAMPAIGN

Question No. 2—**Mr. MacEwan:**

Has an advertising agency been hired or will one be hired to direct a campaign regarding the introduction of a social insurance card and, if so (a) what is the name of the agency (b) what amount has been or will be paid to this agency?

Mr. MacEachen: (a) and (b). Yes. The MacLaren Advertising Limited, Toronto, Ontario. The cost of this advertising campaign is estimated to be approximately $332,000, and whatever advertising may be required will be placed through that agency.

PENSIONS OF RETIRED CIVIL SERVANTS

Question No. 12—**Mr. Knowles:**

1. How many retired civil servants are receiving pensions of amounts within each of the following brackets: (a) less than $20 per month (b) $20 to $29.99 per month (c) $30 to $39.99 per month (d) $40 to $49.99 per month (e) $50 to $59.99 per month (f) $60 to $69.99 per month (g) $70 to $79.99 per month (h) $80 to $89.99 per month (i) $90 to $99.99 per month (j) $100 to $149.99 per month (k) $150 to $199.99 per month (l) $200 to $249.99 per month (m) $250 to $299.99 per month (n) $300 per month and over?

2. How many widows of retired civil servants are receiving pensions of amounts within each of the brackets indicated in the above question?

3. What is the number of retired federal civil servants and also the number of widows of retired federal civil servants presently residing in each province?

Mr. Benson: 1. (a) 455; (b) 1,211; (c) 1,672; (d) 1,591; (e) 1,543; (f) 1,413; (g) 1,299; (h) 1,245; (i) 1,162; (j) 5,246; (k) 3,649; (l) 2,432; (m) 1,229; (n) 1,547.

2. (a) 1,544; (b) 1,634; (c) 1,573; (d) 1,362; (e) 1,252; (f) 1,090; (g) 1,029; (h) 689; (i) 524; (j) 1,383; (k) 293; (l) 88; (m) 28; (n) 22.

3.

	Retired civil servants	Widows
Newfoundland	255	106
Prince Edward Island	144	81
Nova Scotia	1,117	599
New Brunswick	739	375
Quebec	4,502	2,292
Ontario	11,179	5,500
Manitoba	1,304	529
Saskatchewan	829	337
Alberta	1,320	580
British Columbia	3,701	1,796
Territories	28	6
Outside Canada	576	310

OPERATIONS OF CANADIAN NATIONAL TELECOMMUNICATIONS IN YUKON

Question No. 16—**Mr. Nielsen:**

1. What have been the total revenues gross and net of the operations of Canadian National Telecommunications in the Yukon for each of the years 1958, 1959, 1960, 1961 and 1962?

2. What have been the total revenues gross and net of C.N.T. from the operation of Yukon Telephone Company Limited for each of the years 1958, 1959, 1960, 1961 and 1962?

Questions

3. How many personnel are employed by C.N.T. in the Yukon, and what is the gross pay roll of such personnel?

4. What is the total capital cost of plant and equipment in use by Canadian National Telecommunications in the Yukon?

5. From which persons, firms or corporations have purchases of goods and services been made by C.N.T. in the Yukon since April 8, 1963?

6. What is the nature and extent of such purchases, and the gross cost thereof, from each of such persons, firms or corporations in the Yukon?

7. Were public tenders called for the purchase of such goods and services?

8. If public tenders were called for such goods and services, what was the name of each of the successful bidders, and the amount of the successful bid?

9. If public tenders were not called for such goods and services, for what reasons were they not called?

10. In those cases where goods and services were supplied by persons, firms, or corporations in the Yukon without public tender call, what was the gross cost of such goods and/or services paid by C.N.T. to each such person, firm or corporation?

Mr. Pickersgill: The management of Canadian National Railways advise as follows:

1. Prior to 1962, the information requested was not maintained or required for purposes of the operation of the railway and would entail considerable time and clerical expense to produce. The figures for 1962, which were prepared for inclusion in the annual summary filed by the company pursuant to the Yukon Territory ordinances, are as follows: gross revenues, $3,486,025; net revenues, $1,920,994.

2. As the Yukon Telephone Company was amalgamated with Canadian National Railway Company in December 1961, it did not exist as a separate corporate entity in 1962 and no separate accounting records were maintained. Accordingly, the requested information for that year is not readily available and would entail time and expense to produce. The revenues for the years 1958 to 1961, as recorded in annual summaries filed by the telephone company pursuant to the Yukon Territory ordinances, are as follows:

Year	Gross Revenues	Net Revenues
1958	$ 146,960	$ 93,744
1959	126,888	65,334
1960	130,052	54,846
1961	146,167	73,655

3. One hundred and sixty four employees with a gross payroll of $76,341.99.

4. Approximately $24,115,560.

5 to 10 incl. It is company policy to invite competitive tenders and award the contract to the lowest bidder who is able to meet all the specifications, and to buy wherever possible in the locality where the materials are to be used. It has not been the practice to divulge individual prices of contracts or materials purchased.

[Mr. Nielsen.]

RECOMMENDATION RESPECTING DRUG PATENTS

Question No. 38—**Mr. Orlikow:**

Has the government reached any decision as to the desirability of implementing the recommendation of the report of the restrictive trade practices commission on the manufacture, distribution and sale of drugs that "patents with respect to drugs be abolished" since "in the opinion of the commission this is the only effective remedy to reduce the price of drugs in Canada"?

Mr. Favreau: Careful consideration is being given to the recommendations of the restrictive trade practices commission and, as the Minister of National Health and Welfare informed the house last session, steps have already been taken to implement some of them. The recommendation concerning drug patents is still under study and I have been informed that further representations are to be made. If it is decided to amend the legislation, this decision will be made known in the proper way.

PRISON POPULATION, MARITIME PROVINCES

Question No. 46—**Mr. Coates:**

1. What was the estimated inmate population in federal penal institutions for the years 1960, 1961, 1962, and 1963, in the maritime provinces?

2. How many paroles were granted from these institutions in the years 1960, 1961, 1962, and 1963?

Mr. Favreau: There is only one federal penal institution in the maritime provinces. It is at Dorchester, New Brunswick.

1. 1960, 662; 1961, 713; 1962, 750; 1963, 720.

2. 1960, 146; 1961, 143; 1962, 97; 1963, 87.

*RECOGNITION OF NATIONALIST CHINA, MONGOLIA AND RED CHINA

Question No. 58—**Mr. Pigeon:**

1. On what date did the Canadian government recognize the government of nationalist China (Formosa)?

2. On what date did the Canadian government recognize the communist regime of Mongolia?

3. Does the government intend to recognize the communist regime of China and, if so, when does it propose to do this and, if not, for what reasons?

4. When will the government appoint an ambassador to Formosa?

[*Translation*]

Mr. Haidasz: Mr. Speaker, the answer to that question is as follows:

1. Canada recognized the government of nationalist China on December 20, 1928.

2. We informed Mongolia of our diplomatic recognition on January 27, 1964, through a normal exchange of communications with the representative of that country in a capital where he is accredited. A similar procedure had been adopted by the previous government in the case of Albania in 1959.

3. The government does not intend, at this time, to make any change in Canada's policy toward China. The question of recognizing the government of Peking involves various

factors which must be weighed carefully: Canada's role within international control commissions in Indochina and the stability of the situation in southeast Asia; then, the future of the inhabitants of Formosa; finally, the possible repercussions at the United Nations. Forecasting the future is now precluded by the rapid evolution of the situation.

Nevertheless, the government maintains that a country as important as continental China cannot and should not be isolated from the flows of international exchanges. That is why it shall continue the policy that has been followed these past few years, that is to increase as much as possible our trade and cultural exchanges with communist China.

4. The government is not contemplating the appointment of an ambassador to Taipeh.

[*Text*]

*EXTERNAL AFFAIRS—FRENCH CANADIANS LEAVING DEPARTMENT

Question No. 60—**Mr. Pigeon:**

How many French Canadian officials of the Department of External Affairs have left that department since April 23, 1963?

[*Translation*]

Mr. Haidasz: Since April 23, 1963, five French Canadian diplomatic agents left the Department of External Affairs. One was named general commissioner for the Montreal world exhibition, another one was appointed assistant deputy minister in the Department of Transport. Four other French Canadian diplomatic agents obtained leave without pay, one having been appointed director of the national economic council, and two others having assumed duties in the World Exhibition Corporation. These transfers from the Department of External Affairs to the World Exhibition Corporation show the direct relations existing between these two bodies.

At the administrative level, 29 employees (archivists, stenographers, messengers, etc.) left the department during that period; 10 of them were transferred to other services of the federal government.

Altogether, of the 110 persons who left the department during that period, 38 were French Canadians, which represents a proportion higher than that of the previous year, but equal to that of 1961-62.

[*Text*]

ADVERTISING REVENUE, STATION CJBC, TORONTO

Question No. 61—**Mr. Cowan:**

1. What has been the advertising revenue, month by month, secured by radio station CJBC, Toronto, since it became an independent station, separate from a network?

2. What was the division of the advertising revenue in the month of January, 1964, between advertising in the French language and advertising in the English language?

Mr. Lamontagne: I am informed by the Canadian Broadcasting Corporation as follows:

1. It has not been customary to require the corporation to give information which could adversely affect it in the competitive business in which it is engaged.

2. All revenue was from advertising in the English language.

CRIMINAL CODE PROVISION RESPECTING ALCOHOLIC IMPAIRMENT

Question No. 90—**Mr. Matheson:**

Has consideration been given by the Department of Justice to (a) repealing section 224(4) of the Criminal Code (b) defining impairment under section 223 by specific blood alcohol level?

Mr. Favreau: Representations for such repeal and definition have been received from the Canadian federation on alcohol problems and are being considered in the usual way in connection with the continuing Criminal Code amendment program but no conclusions have been reached in regard to proposing any amendments.

WAGES OF THIRD CLASS ENGINEERS, CAMP BORDEN AND EDENVALE

Question No. 110—**Mr. Addison:**

1. How is the rate of pay of civilian third class engineers determined at Camp Borden and Edenvale?
2. How does this rate of pay compare with private industry in that area?

Mr. Lamontagne: I am advised by the civil service commission:

1. The rates of pay for stationary engineers in the classified civil service, which includes the stationary engineers at Camp Borden and Edenvale, are established by the treasury board after consideration of recommendations made by the civil service commission, which recommendations are based on extensive information on rates paid by outside employers in the various regions of Canada. Such information is gathered by the pay research bureau once every two years under the current cyclical salary review program.

2. The current rates were established with effect from October 1, 1962 as national rates applicable to classified stationary engineers in all locations in Canada. The normal grade for a stationary engineer holding a third class certificate would be stationary engineer grade 2. The current salary range for this grade expressed in annual rates of pay is: $4,470, $4,650, $4,830, $5,010. The maximum rate is reached by way of regular annual increases. These rates compare favourably with those

for comparable employment in the area. The next review of salary rates for this class will be in October of this year.

C.N.R. DEBT FROM PRIVATE COMPANIES

Question No. 111—**Mr. Mather:**

What is the amount in dollars of that portion of the Canadian National Railways debt due to obligations incurred by defunct private railways which became part of the Canadian National system?

Mr. Pickersgill: The management of Canadian National Railways advise that the subject matter of the question involves capital revision proposals which have been submitted to the government in relation to the financial structure of the system. As it involves complex technical calculations, the proposal, in order to be understood, must be reviewed in the whole and, therefore, it is not possible to give a brief answer.

BADDECK, N.S.—TENDERS FOR R.C.M.P. BUILDING

Question No. 131—**Mr. Muir (Cape Breton North and Victoria):**

When will tenders be called for a new R.C.M.P. detachment quarters at Baddeck, Nova Scotia?

Mr. Favreau: Tenders will not be called for a new R.C.M.P. detachment quarters at Baddeck, Nova Scotia, for the next few years.

NORTH SYDNEY, N.S.—NEW R.C.M.P. QUARTERS

Question No. 132—**Mr. Muir (Cape Breton North and Victoria):**

What consideration is being given to the construction of new R.C.M.P. detachment quarters at North Sydney, Nova Scotia?

Mr. Favreau: No consideration is being given to construction of new R.C.M.P. detachment quarters at North Sydney, Nova Scotia at the present time. Present quarters are police owned and are suitable for our present needs.

APPLICATIONS UNDER OLDER WORKER TRAINING PROGRAM

Question No. 148—**Mr. Korchinski:**

1. How many applications have been received to date from each of the provinces for assistance under the older worker employment and training incentive program?

2. How many have been granted assistance under this program?

Mr. MacEachen: 1. Up to February 29, 1964, the following number of applications had been received from employers:

Newfoundland	19
Prince Edward Island	9
Nova Scotia	59
New Brunswick	30
Quebec	542
Ontario	603
Manitoba	130
Saskatchewan	112
Alberta	204
British Columbia (including Yukon Territory)	278
Total	1,986

2. Nine hundred and thirty six workers had been hired up to February 29, 1964.

FISHERIES LOANS TO INLAND FISHERMEN

Question No. 149—**Mr. Danforth:**

1. How many loans under the Fisheries Improvement Loans Act have been made to inland water fishermen during the years 1958-63 and what was their total value?

2. How many loans under the Fisheries Improvement Loans Act have been made to fishermen in the county of Kent, Ontario during the years 1958-63 and what was their total value?

Mr. Benson: 1. Separate statistics on loans to inland fishermen are not available. However, during the fiscal years 1957-58 to 1962-63, 19 loans having a total value of $40,404 were made in the provinces of Ontario, Manitoba and Saskatchewan.

2. Statistics relating to the geographical distribution of these loans are broken down only by provinces. Accordingly, no figures are available to answer this part of the question.

TEULON, MAN.—TENDERS FOR R.C.M.P. QUARTERS

Question No. 153—**Mr. Stefanson:**

When will tenders be called for new R.C.M.P. detachment quarters at Teulon, Manitoba?

Mr. Favreau: Tenders will be called for new R.C.M.P. detachment quarters at Teulon, Manitoba, within the next two months.

ARBORG, MAN.—R.C.M.P. DETACHMENT QUARTERS

Question No. 154—**Mr. Stefanson:**

1. Has land been purchased for R.C.M.P. detachment quarters at Arborg, Manitoba and, if so, from whom was land purchased and what was the cost?

2. What type of detachment quarters do the plans call for and when will tenders be called?

Mr. Favreau: 1. Land has been purchased for R.C.M.P. detachment quarters at Arborg, Manitoba from Mr. L. L. Cosford, Arborg, Manitoba at a price of $1,000.

2. A standard R.C.M. Police detachment building will be constructed. Tenders will not be called until the fiscal year 1965-66 at the earliest.

FILLMORE, SASK.—R.C.M.P. DETACHMENT QUARTERS

Question No. 162—**Mr. Southam:**

1. What consideration has been given to the construction of new R.C.M.P. detachment quarters at Fillmore, Saskatchewan?

2. If new R.C.M.P. barracks are to be built, when does the government contemplate commencing this work?

Mr. Favreau: 1. Consideration has been given in the long range construction program of the R.C.M. Police to the construction of new R.C.M.P. detachment quarters at Fillmore, Saskatchewan.

2. Construction is not contemplated for at least five or six years.

OLDER WORKER EMPLOYMENT PROGRAM

Question No. 166—**Mr. Ricard:**

1. How many employers have taken advantage of the older worker employment incentive program?

2. How many older workers have been hired as a result of this program?

3. How much money in the form of compensation payments has the government paid to employers?

Mr. MacEachen: 1. 1,986 applications submitted, of which 1,333 had been approved up to February 29, 1964.

2. 936 up to February 29, 1964.

3. $7,107.96 up to February 29, 1964.

*OLDER WORKERS EMPLOYED UNDER INCENTIVE PROGRAM, NOVA SCOTIA

Question No. 171—**Mr. Muir (Cape Breton North and Victoria):**

How many workers over the age of 45 years have been placed in employment (a) on the island of Cape Breton (b) in the rest of the province of Nova Scotia, as a result of the program by which their salaries are supplemented to a maximum of $75 monthly out of public funds?

Mr. Byrne: (a) and (b). Figures are available by provinces only. Thirty one workers were hired under the program in the province of Nova Scotia up to February 29, 1964.

OLDER WORKERS EMPLOYED UNDER INCENTIVE PROGRAM, PICTOU CONSTITUENCY

Question No. 176—**Mr. MacEwan:**

How many workers over the age of 45 have been placed in employment in the constituency of Pictou as a result of the program by which these salaries are supplemented to a maximum of $75 monthly out of public funds?

Mr. MacEachen: No breakdown by constituencies available. Thirty one workers were hired under the program as at February 29, 1964, in the province of Nova Scotia.

NELSON RIVER, MAN.—NAVIGATION POSSIBILITIES

Question No. 178—**Mr. Stefanson:**

Did the federal government conduct a survey of navigation possibilities on the Nelson river and, if so, what are the findings?

Mr. Deschatelets: Yes, in connection with the power development studies being carried out jointly by the federal government and the provincial government of Manitoba. It was found that the provision of navigation facilities is not economically feasible at the present time.

MANITOBA—ASSISTANCE FOR UNIVERSITY EXTENSION DEPARTMENTS

Question No. 179—**Mr. Stefanson:**

Has the government received a request from the University of Manitoba for financial assistance for its extension departments to carry out education among fishermen in fisheries techniques and co-operatives producing and selling and, if so, what action has been taken or is planned?

Answer: This government has not received such a request.

PUBLIC WORKS CONSTRUCTION, CHICOUTIMI COUNTY, QUE.

Question No. 183—**Mr. Cote (Chicoutimi):**

1. At what locations will post offices be built in the county of Chicoutimi during the year 1964?

2. What other works will be undertaken or are planned for this year in that county?

3. Has provision been made for the rebuilding of wharves at Chicoutimi and the construction or the completion of a retaining wall at Chicoutimi north?

[*Translation*]

Answer: 1. Revenue post offices will be built at St. Fulgence and St. Leon de Chicoutimi in 1964.

2. During the next fiscal year, the Department of Public Works proposes to carry out the following supplementary projects in the county of Chicoutimi: Bagotville, wharf repairs; L'Anse Saint Jean, wharf repairs; Saguenayville (Moulin river), protection wall; Ste. Rose du Nord, wharf repairs; Arvida federal building, repairs to windows and foundations; Kenogami federal building, interior painting.

3. No item is charged to the national harbours board in the current budget concerning the reconstruction of wharves in the harbour of Chicoutimi. Completion of the retaining wall at Chicoutimi north in 1964 is not provided for.

[*Text*]

FISHERMEN'S LOANS, MANITOBA

Question No. 193—**Mr. Stefanson:**

How many loans were made to fishermen in the province of Manitoba during the past five years under the Fisheries Improvement Loans Act, giving the number of loans for each year and total amount of loans?

Mr. Benson: Two loans for a total of $4,320 were made under the Fisheries Improvement Loans Act to fishermen in the province of Manitoba during the fiscal year of 1959-60.

Questions

No loans under this act were made in the province of Manitoba during the fiscal years 1958-59, and 1960-61 to 1962-63.

MUNICIPAL LOAN APPLICATIONS, NOVA SCOTIA

Question No. 197—**Mr. Muir (Cape Breton North and Victoria):**

How many applications have been received and approved under the municipal loan fund to date in (a) the constituency of Cape Breton North and Victoria (b) the constituency of Inverness-Richmond (c) all of Cape Breton island, and (d) all of the province of Nova Scotia?

Mr. Benson: No applications have been received and approved under the Municipal Development and Loan Act from the province of Nova Scotia, as of the date this question was asked.

ABOLITION OF DRUG PATENTS

Question No. 202—**Mr. Mather:**

Is consideration being given to implementing the recommendation of the restrictive trade practices commission to abolish drug patents when necessary to reduce the prices of drugs in Canada?

Mr. Favreau: Careful consideration is being given to the recommendations of the restrictive trade practices commission and, as the Minister of National Health and Welfare informed the house last session, steps have already been taken to implement some of them. The recommendation concerning drug patents is still under study and I have been informed that further representations are to be made. If it is decided to amend the legislation, this decision will be made known in the proper way.

BONDING OF LAWYERS

Question No. 227—**Mr. Millar:**

Has the federal government considered taking steps to compel members of the legal profession to be properly bonded to ensure that clients' funds in their hands shall be protected against embezzlement?

Mr. Favreau: No, because this is a provincial matter.

FARM IMPROVEMENT LOAN APPLICATIONS, MEGANTIC CONSTITUENCY

Question No. 230—**Mr. Langlois:**

1. With reference to the erection of farm buildings under the terms of the Farm Improvement Loans Act (a) how many applications were received from persons in the constituency of Megantic during 1962 (b) how many were rejected (c) how many were granted (d) what were the amounts in each case?

2. With reference to the purchase of cattle under the terms of the same act (a) how many applications were received from persons in the constituency of Megantic during 1962 (b) how many were rejected (c) how many were granted (d) what were the amounts in each case?

3. With reference to the purchase of farm implements under the terms of the same act (a) how many applications were received from persons in the constituency of Megantic during 1962 (b) how many were rejected (c) how many were granted (d) what were the amounts in each case?

4. How many requests for loans for the purchase of farms were received from persons in the constituency of Megantic during the past two years and of these (a) how many were rejected (b) how many were granted (c) what was the total amount?

5. What are the corresponding answers for the years 1955-60?

Mr. Lamontagne: 1, 2 and 3. Statistics available and tabled annually in the house, provide information of loans made by provinces but not by constituencies.

4. In so far as the question relates to the Farm Credit Corporation, each loan made by the Farm Credit Corporation may encompass several purposes, including the purchase of farms. The Farm Credit Corporation advises that they do not maintain statistical records on a constituency basis, however, the constituency of Megantic is made up of the municipal county of Megantic and part of the municipal county of Frontenac, for which municipal counties the answer is as follows:

Fiscal Year 1962-63	Megantic	Frontenac
Applications	25	19
Rejected	10	2
Approvals	11	14
Total amount of loans	$133,000	$149,200
Note:	4 loans under review at end of fiscal year	3 loans under review at end of fiscal year

Fiscal Year 1963-64	Megantic	Frontenac
Applications	28	12
Rejected	6	7
Approvals	22	8
Total amount of loans	$266,800	$82,100
Note:	4 loans still under review as of March 5, 1964	3 loans under review in 1962-63 were approved in fiscal year 1963-64

Statistics available for the period preceding October 5, 1959 include only applications which resulted in a loan, consequently the figures do not take into consideration all applications received.

Questions

	Megantic			Frontenac		
	Applications	Number Loans	Amount	Applications	Number Loans	Amount
1955-56	1	1	$1,000	2	2	$4,800
1956-57	1	1	$2,000	2	2	$5,000
1957-58	2	2	$8,400	2	2	$7,900
1958-59	2	2	$13,000	3	3	$10,000
1959-60	*2	1	$4,000	3	3	$14,350

*1 rejected.

MCGILL UNIVERSITY—FINANCIAL ASSISTANCE FOR HARP PROJECT

Question No. 232—**Mr. Orlikow:**

1. Has the government received a request for financial assistance for the McGill University project high altitude research program, better known as HARP and, if so (a) how much money was requested (b) is the government giving favourable consideration to this project?

2. Is this project getting financial assistance from United States government agencies and, if so, how much assistance is this project getting from the U.S.?

Mr. Drury: 1. Yes.

(a) and (b) The Department of Defence Production has not been asked for a definite amount. However, an application for $43,000 has been received for the fiscal year 1964-65 by the national research council but this has not yet been considered by the honourable advisory council.

2. Yes, $500,000 in the form of contracts for experimental work.

*WATER FLUORIDATION

Question No. 249—**Mr. Slogan:**

1. What federal moneys have been expended by the Department of National Health and Welfare on research into the effects of water fluoridation, and the effects of topical application of fluorides to the teeth and what projects were supported?

2. What general health benefits have been found from water fluoridation?

3. What is the position of the federal government in regard to the fluoridation of communal water supplies?

4. When is it expected that a clear statement of policy will emanate from the government regarding the favourable results of water fluoridation on the teeth?

Mr. Munro: 1. Expenditures on projects submitted by the provinces and supported under the national health grants relating to research into the effects of water fluoridation and the effects of topical application of fluorides to the teeth total approximately $51,400.

So far as intramural research is concerned, in view of the fact that personnel of the Department of National Health and Welfare from three divisions and one directorate have been engaged intermittently over a period of 16 years on research into the effects of fluoridation, including topical fluorides, while at the same time working on other programs, it is not possible to segregate expenditures on this project.

2. It is an established fact, from very extensive research, that the adjustment of the fluoride content of a water supply, whereby there is a concentration of one part fluoride to one million parts of water, brings about an average reduction of 60 per cent in the prevalence of tooth decay to children consuming fluoridated water since birth. No ill effects have been noted.

This improvement in dental health of children, who will later be adults, ensures an improvement in general health, dental health being an integral part of total health.

3 and 4. The activities of the Department of National Health and Welfare in relation to fluoridation have from the beginning been limited to research, the publication of research findings and the provision of technical advice and information. No advice has been given for the specific purpose of influencing policy decisions.

However fluoridation of communal water supplies is of broad public interest and is considered to be of great importance in the total health picture of the population of Canada. As of November 1963 more than 3,800,000 people, or 20 per cent of the population, in 188 communities were consuming mechanically fluoridated water.

In addition to the 20 per cent of the Canadian population who are consuming water with fluoride content adjusted to one part per million, many thousands of people have been consuming for a lifetime, and even for generations, water which has been fluoridated from underground deposits of fluoride. No ill-effects have been observed.

BANKRUPTCY PETITIONS, ARMED FORCES PERSONNEL

Question No. 251—**Mr. Lambert:**

1. How many members of the armed services have filed petitions for bankruptcy in any province of Canada from January 1, 1962 to February 28, 1964?

2. What is the distribution of such numbers by provinces and by calendar years?

3. Does the filing of a petition for bankruptcy by a serviceman lead to his release as a matter of course, or are efforts made to assist such a person to rehabilitate himself financially?

Questions

4. What counselling services are provided to armed service personnel with respect to personal financial matters?

Answer: 1 and 2. Although according to service regulations, an officer or man who files a petition for bankruptcy is required to report the fact, complete statistical records are not readily available.

3. The filing of bankruptcy by an officer or man does not necessarily lead to release from his service as a matter of course. Each case is considered on its merits. Financial counselling is available to the individual concerned, including loans or grants from non-public funds depending on an assessment of all the circumstances involved.

4. Extensive financial counselling services are provided to servicemen through the unit commander, welfare officers, officials of service benevolent funds, and lectures and articles in service publications relating to the management of personal financial affairs.

PENSIONS OF RETIRED MILITARY PERSONNEL

Question No. 253—**Mr. Mather:**

1. What is the range of monthly pensions drawn by retired military officers?
2. What amounts are contributed by military officers toward such pensions?
3. What is the monthly amount which retired military officers are allowed to earn in non-government positions?

Answer: 1. The maximum amount being drawn is $1,166.67 per month and the minimum is nil.

2. Six per cent of pay as defined in section a(1)(h) of the Canadian Forces Superannuation Act, up to a maximum of 35 years.

3. There is no restriction.

APPOINTMENT OF EMPLOYMENT OFFICER, LISTOWEL, ONT.

Question No. 259—**Mr. Howe (Wellington-Huron):**

1. Who has been appointed to fill the vacancy of employment officer in the national employment service at Listowel, competition No. 64-T-540?
2. Who were the other candidates for this appointment?
3. What marks were obtained by each candidate who wrote the examination?
4. Was the statutory preference for veterans taken into consideration?

Mr. Lamontagne: 1. Mr. Bertram Courtney Paige, a veteran, and the first ranking candidate as a result of competition 64-T-540 to fill the vacancy of employment officer in the national employment service at Listowel, has been offered this position, and he has accepted. It is understood he is to report for duty on March 16.

2 and 3. Twenty one persons made application in competition 64-T-540. The names of the successful candidates, namely, Messrs. Bertram Courtney Paige, Charles Kenneth Lochead, and Ronald Stewart Higgins, will be published in the Canada Gazette in a week or two.

The commission holds in confidence the names and marks of unsuccessful candidates in civil service competitions, having regard for the right to privacy of the candidates and the possibility that publication of this information could prove to be not only embarrassing but also prejudicial to them.

4. Yes.

*BANK OF CANADA—NEW CURRENCY ISSUED

Question No. 267—**Mr. Cote (Chicoutimi):**

1. Has the Bank of Canada actually issued new currency or new credits in addition to banking currency or new credits issued or created by chartered or commercial banks from the end of June, 1954 to July 3, 1963 and, if so (a) was this new currency issued on behalf of the federal government, of the provinces or of other bodies, and (b) what was the rate of interest?
2. Has the Bank of Canada issued new capital or new credits since it began operations in 1935 and, if so, in what amounts?

Mr. Benson: 1(a) As shown in its weekly published statements, the Bank of Canada's note circulation and its deposit liabilities at the dates in question were as follows:

	June 30/54	July 3/63
	(millions of dollars)	
Bank of Canada notes in circulation	1,553.5	2,200.1
Deposits at the Bank of Canada		
Government of Canada	99.0	24.8
Provincial governments	—	—
Chartered banks	624.4	768.0
Other	41.4	40.6

(b) Nil.

2. The original capital of the Bank of Canada was $5,000,000 and was sold to the public. On September 11, 1936, an additional $5,100,000 was issued and sold to the government of Canada. On August 15, 1938, the $5,000,000 held by the public and $100,000 of the amount held by the government was redeemed, and since then the bank's capital has remained unchanged at $5,000,000.

DUTY ON IMPORTED AIRCRAFT

Question No. 268—**Mr. Barnett:**

1. Has a 15 per cent duty, effective April 1, 1964, been imposed on single engine aircraft above 2,500 pounds, gross weight, imported into Canada?
2. If not, has any announcement been made by the government in respect of a proposed change on the import duty on aircraft?
3. If so, what was the nature of this announcement, and by whom was the announcement made?

Mr. Benson: 1. No.

2. No.

3. Aircraft of types or sizes not made in Canada are free of duty under item 440m 1. Aircraft of types and sizes made in Canada are dutiable at a most favoured nation rate of 15 per cent under item 440m 2. I understand that an application has been submitted to the Department of National Revenue for a ruling that certain sizes of single engine aircraft are of a type or size made in Canada. If and when any changes are made in present rulings relating to types and sizes of aircraft made in Canada, they will be issued in the usual way by the Department of National Revenue.

C.M.H.C. LOANS, KITIMAT, B.C.

Question No. 286—**Mr. Howard:**

1. Has Central Mortgage and Housing Corporation established, since January 1, 1958 any restrictions regarding loans under the National Housing Act to people who live in Kitimat, B.C. and, if so, what is the extent of these restrictions, when were they implemented, to whom do they apply and what is the reason therefor?

2. Can employees of the Aluminum Company of Canada at Kitimat, B.C. borrow money from or through Central Mortgage and Housing Corporation or pursuant to the National Housing Act and, if so, at what rates and upon what terms?

3. Can people at Kitimat, B.C., other than employees of the Aluminum Company of Canada, borrow money from or through Central Mortgage and Housing Corporation or pursuant to the National Housing Act and, if so, at what rates and upon what terms?

Mr. Lamontagne: 1. The policy followed by Central Mortgage and Housing Corporation in insuring loans made by approved lenders and in making direct loans in Kitimat has been the policy applicable to one-industry towns. In towns such as Kitimat, whose existence is dependent primarily on one industry, the corporation will insure loans or make direct loans only if the industry will provide some form of direct or indirect guarantee arrangement that will provide the corporation with some additional protection against the increased risk in such communities. This policy applies to employees of the industry and also to persons who are not employees of the industry. If a guarantee of some kind is not provided by the industry in the case of non-employees, then the loan to the individual is reduced. In Kitimat the appropriate minimum reduction was considered to be 10 per cent. Except for the foregoing, the terms and conditions are those of general application under the National Housing Act.

2. Yes, as in 1 above.

3. Yes, as in 1 above.

BANK OF CANADA SURPLUS

Question No. 290—**Mr. Ormiston:**

1. Does the Bank of Canada surrender its surplus annually to the Receiver General of Canada and, if so, to what use is such surplus put?

2. In each of the years since its incorporaton, what surplus has the Bank of Canada surrendered to the Receiver General of Canada?

Mr. Benson: 1. Yes, pursuant to the Bank of Canada Act, section 24(c). Section 24 reads as follows:

"24. The bank shall establish a rest fund and after making such provision as the board thinks proper for bad and doubtful debts, depreciation in assets, pension funds and all such matters as are properly provided for by banks, the ascertained surplus available from the operations of the bank during each financial year shall be applied by the board as follows: (a) if the rest fund of the bank is less than the paid-up capital, one third of such surplus shall be allocated to the rest fund and the residue shall be paid to the Receiver General and placed to the credit of the consolidated revenue fund; (b) if the rest fund is not less than the paid-up capital, one fifth of such surplus shall be allocated to the rest fund until the rest fund reaches an amount five times the paid-up capital and the residue shall be paid to the Receiver General and placed to the credit of the consolidated revenue fund; and (c) if the rest fund is not less than five times the paid-up capital the whole of such surplus shall be paid to the Receiver General and placed to the credit of the consolidated revenue fund."

The surplus is used for the general purposes of the Government of Canada.

2. Bank of Canada's surplus paid to Receiver General of Canada: (in dollars)

1935*	346,184.33
1936	1,141,247.03
1937	1,209,397.57
1938	1,110,200.65
1939	1,092,483.47
1940	2,546,306.73
1941	3,725,590.53
1942	7,985,230.43
1943	14,117,830.91
1944	18,078,893.71
1945	22,541,920.92
1946	21,011,194.96
1947	18,828,325.43
1948	19,107,147.20
1949	20,442,378.11
1950	19,662,548.41
1951	24,018,017.44
1952	28,791,710.42
1953	43,867,807.22
1954	41,411,919.15
1955	38,341,041.14

	Questions
1956	89,865,102.97
1957	68,711,435.27
1958	88,631,680.16
1959	74,011,728.12
1960	90,175,488.81
1961	107,692,994.18
1962	96,680,127.56
1963	116,386,458.94

* Bank of Canada opened for business on March 11, 1935.

TRAIN SPEEDS IN NATIONAL CAPITAL REGION

Question No. 293—**Mr. Howe (Wellington-Huron):**

Has the board of transport commissioners issued any orders governing the speed of trains within the national capital region and, if so, what is the date and the operative nature of each such order and to what lines or areas does each apply?

Mr. Pickersgill: The Board of Transport Commissioners for Canada advise as follows

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Canadian Pacific Railway

Carleton Place Subdivision: Area, Ottawa West (Mile 0.0) to mile 27.0 near Carleton Place, Ont.

Board Order	Date	Mileage	Restriction	Operative Nature
81070	Mar. 25/53	0.32	10 m.p.h.	Over Hinchey ave., Ottawa.
77595	Oct. 22/51	1.78	25 m.p.h.	Over Prescott highway, Ottawa.

Prescott Subdivision: Area, Ottawa West (Mile 0.0) to Mile 22.5 south of Osgoode, Ont.

Board Order	Date	Mileage	Restriction	Operative Nature
91785	June 12/57	1.34	25 m.p.h.	Over Prescott highway, Ottawa.

Sussex Street Subdivision: Area, Ellwood (Mile 0.0) to Ottawa (Sussex st. Mile 6.7)

Board Order	Date	Mileage	Restriction	Operative Nature
81704	July 2/53	3.55	10 m.p.h.	Over Russell road, Ottawa.
96261	Nov. 17/58	1.29	40 m.p.h.	Over Metcalfe rd. (Bank st.) Ottawa.

Ottawa Terminals Subdivision: Area, Hurdman (Mile 85.9) via Ottawa Union Station and Hull, Que. to Ottawa West (Mile 91.6).

Board Order	Date	Mileage	Restriction	Operative Nature
80682	Jan. 23/53	89.11	10 m.p.h.	Over St. Florence st., Hull, Que.
82352	Oct. 14/53	89.16	10 m.p.h.	Over Henri st., Hull, Que.
67101	Mar. 5/46	89.30	10 m.p.h.	Over St. Hyacinthe st., Hull, Que.
Statutory	June 6/25	89.27	10 m.p.h.	Over St. Redempteur st., Hull, Que.

Lachute Subdivision: Area, Hull East (Mile 117.9) to Mile 99.0 east of Thurso, Que.

Board Order	Date	Mileage	Restriction	Operative Nature
76759	June 11/59	100.1	20 m.p.h.	Applies to westward movements over public crossing at grade.
81166	Nov. 29/52	111.91	10 m.p.h.	Amended to 30 m.p.h. by B.O. 99490
99490	Oct. 19/59	111.91	30 m.p.h.	Over Main st. crossing Gatineau, Que.

Maniwaki Subdivision: Area, Hull (Mile 0.0) to Mile 25.0 south of Farrellton, Que.

Board Order	Date	Mileage	Restriction	Operative Nature
76067	Feb. 10/51	22.9	10 m.p.h.	Over highway in village of Alcove.

Waltham Subdivision: Area, Wamo (Mile 0.0) to Wyman (Mile 33.7)

Board Order	Date	Mileage	Restriction	Operative Nature
Statutory	Aug. 8/24	7.7	10 m.p.h.	Over Lake st., Aylmer, Que.

Note: Railway subdivision mileage at boundaries of national capital region are approximate only and were scaled from map of Ottawa and national capital region, 1963 edition, published by the information and historical division of the national capital commission.

"Statutory" shown under board order designates speed restrictions imposed under the Railway Act.

IMMIGRATION AND EMIGRATION, 1963

Question No. 295—**Mr. Webb:**

1. What was the total immigration to Canada in 1963?
2. What was the total emigration from Canada in 1963?

Mr. Lamontagne: 1. 93,151.

2. Canada does not exercise any form of exit control over persons departing from this country and, consequently, there is no way of determining precisely how many people leave Canada to take up permanent residence in other countries.

Emigration from Canada for 1963 is estimated at 76,000 persons.

ROADS TO RESOURCES PROGRAM, ALBERTA

Question No. 297—**Mr. Lambert:**

1. What has been the participation of the province of Alberta in the road to resources program, since its inception?
2. What has been the amount of the federal contribution to the program with respect to the province of Alberta?
3. What is the location of the roads built under this program in Alberta and the cost of each in total and to the federal government?
4. Has there ever been a submission by the province of Alberta under this program for a road from High Level, Alberta, to Fort Smith, N.W.T., via Wood Buffalo national park and, if so, when?

Mr. Laing: 1. Information forwarded by the province indicates a total of $13,447,717.

2. $6,596,382 (to February 29, 1964).

3.

Location	Estimated total cost	Total expenditure reported to date	Federal share to date
	$	$	$
High level, west boundary of Wood Buffalo national park	3,380,000	943,038	471,519
Grimshaw, N.W.T. boundary (reconstruction)	17,000,000	12,504,679	6,124,763

Surveys: (a) 1957: Preliminary survey—Peace Point to west boundary $72,000; (b) 1958-1960: Location survey, Pine Lake,—Peace Point, west boundary $170,000.

Construction: (a) 1958: Right of way clearing, Peace Point to west boundary $462,000; (b) 1958-1959: Completion right of way clearing Peace Point—west boundary $139,000; (c) 1961: Right of way clearing and clean-up, Pine Lake to Peace Point, $25,000 (completed); (d) 1961: Grading and gravelling, Pine Lake to Peace Point, $315,000 (completed).

2. Yes. Under the roads to resources agreement with the province, December 23, 1959, the federal government agreed to share, on a 50-50 basis, the cost of constructing the 115-mile road from the Mackenzie highway at High Level to the west boundary of the park, if this could be done within the total expenditures envisaged in the agreement. To date the province has constructed 34 miles of road, starting at High Level, and cleared an additional 39 miles of right of way.

4. No, although the road from High Level to the park boundary is designed to connect with a partly constructed park road to achieve this ultimate result.

WOOD BUFFALO PARK ACCESS ROAD

Question No. 298—**Mr. Lambert:**

1. Have any survey work and road allowance clearing been done with respect to either a forest access road or a road to resources in Wood Buffalo national park and, if so, when was this work done and at what cost?
2. Were there discussions and/or correspondence with the government of the province of Alberta with respect to connecting links or extensions to such a road or roads beyond the limits of the park to existing provincial highway connections and, if so, when and what were the results thereof?

Mr. Laing: 1. No. All roads in the park have been constructed as development roads or park administrative roads. A development road from Fort Smith to the west boundary of the park has been under construction and is in use as a winter road. Expenditures to date are:

Questions

R.C.M.P. SPACE IN MUNICIPAL BUILDING, TERRACE, B.C.

Question No. 300—**Mr. Howard:**

Has the R.C.M. Police, any of its officers or personnel, or anyone on behalf of the R.C.M. Police raised any objections or complaints or made any observations or reports concerning space or the location thereof in the presently being built municipal building at Terrace, B.C.?

Mr. Favreau: No objections or complaints have been raised, however, a number of observations and reports have been made concerning space or the location thereof.

REFUSAL OF REMISSIONS, B.C. PENITENTIARY

Question No. 301—**Mr. Howard:**

1. For the month of September 1963 was any inmate in the B.C. penitentiary notified that, after a review of the conduct, industry and attitude of the said inmate, he had failed to earn the possible three days remission for that month and, if so, how many said inmates were so notified?

2. Without disclosing the names of the said inmates, what were the reasons in each case for the failure to earn the said remission?

Mr. Favreau: 1. Sixty two inmates of the British Columbia penitentiary failed to earn the possible three days remission for the month of September, 1963. All inmates were so notified.

2. (a) Twenty eight inmates failed to earn three days remission because of their lack of industry at work or because of their poor conduct. This decision was taken by the institutional grading board. (b) Thirty two inmates failed to earn three days remission by reason of dissociation or because of disciplinary offences having been committed by them. (c) Two inmates failed to earn three days remission because they escaped from the William Head institution.

REDUCTION OF AIR FARES

Question No. 314—**Mr. Latulippe:**

1. What stand did Trans-Canada Air Lines adopt during the negotiations of I.A.T.A. for the reduction of air fares?

2. What decisions were reached by Trans-Canada Air Lines in this regard?

3. Did the government make representations to other Canadian air carriers, or did it suggest to those companies a policy with respect to the I.A.T.A. negotiations?

[*Translation*]

Answer: 1. T.C.A. advocated a substantial lowering of basic fares.

2. Traffic conferences of the International Air Transport Association operate under a procedure whereby fares adopted must have the unanimous approval of all member carriers operating in the area affected. The fare proposals of T.C.A. were not acceptable, and in the final analysis T.C.A. agreed to fares involving a lesser reduction. These fares will become effective April 1.

[Mr. Laing.]

3. The air transport board, consulted with Canadian Pacific Airlines and Trans-Canada Air Lines prior to and during the course of fare negotiations, and told the carriers the board would not approve new rates unless they represented a downward revision of the existing ones.

[*Text*]

NORTHERN AFFAIRS—FRENCH TEACHER IN OTTAWA

Question No. 320—**Mr. Fisher:**

1. Does the department of northern affairs employ a full time teacher of French in Ottawa and, if so (a) when was this arrangement introduced (b) what is the statute or regulation and the vote to which this expense is charged?

2. What person in northern affairs hired the teacher and what were the arrangements made with the civil service commission?

Mr. Laing: 1. Yes; (a) July 1, 1963. (b) Employed under the teaching staff regulations (P.C. 1960-25/1282 of 22/9/60); expenses charged to vote 1, Department of Northern Affairs and National Resources.

2. Employed by authority of the minister following the approval of treasury board. Teaching positions have been excluded from the Civil Service Act on recommendation of the civil service commission under section 74 of the act.

*C.B.C. PROGRAM "VIEWPOINT"—COMMENTATORS

Question No. 323—**Mr. Korchinski:**

1. Who is responsible for the choice of commentators on the C.B.C. television program "Viewpoint"?

2. Are commentators chosen by appointment, or do they request the opportunity to speak on a subject?

3. Is the choice of the subject matter used on the program suggested to the commentator?

4. What are the bases which determine a commentator's qualifications to express his or her point of view on a particular subject?

5. Is the script of any commentary edited by anyone prior to its presentation on television?

Mr. Stewart: I am informed by the Canadian Broadcasting Corporation as follows:

1. The selection of commentators, as of participants in all other programs, is the responsibility of the Canadian Broadcasting Corporation as a whole. However, the series referred to is in the program area of public affairs, and speakers are invited by members of the public affairs department, under the general direction of the management and program direction of the network.

2. Commentators are chosen and invited to speak by the C.B.C. Commentators sometimes make suggestions to the C.B.C., and the C.B.C. sometimes accepts these suggestions.

3. In general, yes. The choice of subject matter is the responsibility of the corporation. It is usually suggested to the commentator in broad terms, and may be modified through

discussion with him. It is also common for unsolicited commentaries to be received by recording from abroad under circumstances where no prior discussion is possible with the commentator. In such cases the corporation decides whether or not to make use of the commentaries as they stand, having regard both to the subject and to the quality of the material.

4. The commentator's knowledge of the subject and his general reputation and ability as a broadcaster.

5. Yes, all scripts are subject to editing by the C.B.C. for style, timing, and to ensure that the scripts meet the corporation's standard of fair comment and that no breach of the law is involved. No attempt is made to influence the point of view expressed by the commentator.

*"VIEWPOINT" COMMENTATORS YVON TURCOT AND RON COLLISTER

Question No. 324—**Mr. Korchinski:**

1. For what reason was Yvon Turcot chosen for the telecast "Viewpoint", as carried by the C.B.C. on March 3, 1964?

2. What were his qualifications and where was he employed, or in what capacity did he act in the last 10 years?

3. Was the subject matter of his talk known to any officials of the C.B.C. prior to delivery?

4. Was Ron Collister, who appeared on "Viewpoint" on March 4, requested to appear, and was the subject matter of his talk suggested to him by the C.B.C. or any government official or minister of the crown?

Mr. Stewart: I am informed by the Canadian Broadcasting Corporation as follows:

1. Because the C.B.C. judged him able to give expression to a point of view which was relevant to a matter which was being publicly debated at the time.

2. Employed for the last ten years in newspaper, radio and other related fields.

3. Yes.

4. Yes. The subject matter was suggested by the C.B.C.; not by any government official or minister of the crown.

OWNER OF MACDONALD BUILDING, OTTAWA

Question No. 326—**Mr. Marcoux:**

1. Who is the owner of the Macdonald building located on Slater street between Metcalfe and O'Connor streets?

2. If the said building is owned by a company, what are the names and addresses of its directors?

3. What is the duration of the lease entered into by the federal government?

[*Translation*]

Answer: 1. Metcalfe Realty Company Limited.

2. Thomas G. Fuller, 313 Acadia rd., Rockcliffe, Ont.; W. O. Varette, 444 Mansfield ave., Ottawa, Ont.; W. S. Burnside, Honeygables, R.R. No. 5, Ottawa, Ont.

3. Eight years starting January 1, 1964.

CUSTOMS AND EXCISE—EMPLOYMENT OF UNIVERSITY STUDENTS

Question No. 332—**Mr. Macquarrie:**

1. For what reasons are university students who are residents of the provinces of Prince Edward Island, Newfoundland, and Manitoba ineligible for employment under the civil service of Canada as customs excise officers—*casual* under competition 64-2001?

2. Are there any summer positions as customs excise officers for which residents of the three provinces may apply?

Mr. Lamontagne: I am advised by the civil service commission.

1. Competitions to recruit university students for casual employment as customs excise officers are advertised only in provinces where the Department of National Revenue anticipates and reports that summer casual help will be required. The advertising pattern is in accordance with the provisions of section 35 of the Civil Service Act. A locality preference (within each province concerned) is also indicated on the competition poster.

2. The Department of National Revenue has not reported any need for casual help in this category in the provinces of Prince Edward Island, Newfoundland or Manitoba.

C.N.R. RUN THROUGH PROGRAM

Question No. 333—**Mr. Orlikow:**

Is the management of the C.N.R. making plans to implement the run through program proposed some time ago and then suspended and, if so, when will this program begin?

Mr. Pickersgill: The management of Canadian National Railways advise that this is a matter of internal operation of the railway, and that whenever such implementation is contemplated discussions will be held with the union representatives at the appropriate time.

LIVERPOOL HARBOUR, N.S.—DREDGING

Question No. 338—**Mr. Crouse:**

Will the Minister of Public Works give immediate consideration to dredging Liverpool harbour in Queens county, Nova Scotia in order to provide adequate channels for the large fishing draggers and commercial ships presently using this port?

Mr. Deschatelets: The necessity for dredging Liverpool harbour is reviewed periodically and maintenance dredging is carried out whenever required. Arrangements are being made for an up to date survey.

Questions

*DAUPHIN, MAN.—DESIGNATION AS DEPRESSED AREA

Question No. 339—**Mr. Forbes:**

Has Dauphin, Manitoba been designated a depressed area and, if so, what steps are being taken to alleviate the unemployment situation there?

Mr. Byrne: No. The Dauphin local office area of the national employment service is not among the 35 areas that have been designated as development areas.

CENTRAL MORTGAGE AND HOUSING FUND

Question No. 349—**Mr. Latulippe:**

1. What have been the various increases or decreases in the C.M.H.C. fund since its inception showing (a) amount (b) date?
2. What was the amount of the original fund?
3. What is the present amount in the fund?

Answer:

CENTRAL MORTGAGE AND HOUSING CORPORATION

MORTGAGE INSURANCE FUND

CONSOLIDATED STATEMENT OF THE RESERVES FOR EACH YEAR FROM 1954 TO 1963*

	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	Total
	$	$	$	$	$	$	$	$	$	$	$
Fees and premiums received	2,389,850	9,237,250	9,839,746	7,278,911	13,816,071	13,146,403	8,456,279	10,970,952	11,576,518	9,868,191	96,580,171
Net income from securities and other assets	5,474	151,935	521,573	940,144	1,499,812	2,254,484	3,058,039	3,201,651	3,687,228	3,966,334	19,286,674
Real estate acquired on claims	—	—	—	38,185	62,130	275,336	1,496,596	9,840,791	9,714,641	12,807,854	34,235,533
	2,395,324	9,389,185	10,361,319	8,257,240	15,378,013	15,676,223	13,010,914	24,013,394	24,978,387	26,642,379	150,102,378
Deduct: Claims paid and legal expenses	—	—	—	38,185	62,130	275,336	1,496,596	9,840,791	9,714,641	12,807,854	34,235,533
	2,395,324	9,389,185	10,361,319	8,219,055	15,315,883	15,400,887	11,514,318	14,172,603	15,263,746	13,834,525	115,866,845**

* The Mortgage Insurance Fund was established when the National Housing Act, 1954, was assented to on March 18, 1954.

** As at December 31, 1963, the contingent liability of the Mortgage Insurance Fund was $4,499,000,000.

Questions

POST OFFICE CONSTRUCTION, P.E.I.

Question No. 352—**Mr. MacLean (Queens):**

1. Have suitable sites been obtained for new post offices in Crapaud, North Rustico, and Mount Stewart, Prince Edward Island and, if so (a) what was the cost of the site in each case, and (b) from whom was it purchased?
2. What is the target date for completion of construction in each case?

Mr. Deschatelets: 1. A suitable site has been acquired at Crapaud, Prince Edward Island. (a) $1,000. (b) Mr. A. P. Simmons. Sites have not been acquired at North Rustico or Mount Stewart.

2. Crapaud—late in April, 1964.

TRENTON, N.S., AIRPORT IMPROVEMENTS

Question No. 357—**Mr. MacEwan:**

Are improvements to be made to the airport at Trenton, Pictou county, Nova Scotia, during the year 1964-65 and, if so (a) what amount is to be expended, and (b) what do the improvements include?

Mr. Pickersgill: The department has no plans for improvements to the airport at Trenton, Pictou county, Nova Scotia, during the year 1964-65.

MILITIA TRAINING TIME

Question No. 358—**Mr. MacEwan:**

1. What was the yearly allotment for each individual militia soldier in each army command in Canada for the past training season?
2. What is the present allotment of training time for each individual militia soldier in each army command in Canada?

Answer: 1 and 2. The number of days for which militia soldiers may receive pay for training time is at the discretion of general officers commanding within the limits of funds alloted to each command. The maximum number of days training for which pay may be granted is as follows: (a) militia group commanders, unit commanders and quartermasters, 50 days; (b) seconds in command, adjutants, training officers and grade 1 staff, officers at militia group headquarters, 45 days; (c) all other officers and men, 40 days; (d) student militia, 55 days.

Where circumstances warrant an individual may be granted up to 70 days pay as a special case on authority of the general officer commanding.

The above restrictions do not apply in the event of special training programs. In all cases pay in excess of 70 days will be approved by general officers commanding and must be within the limits of funds allotted.

Seven days summer training plus travelling time is authorized for the average militiaman and is within the maximum number of days training allowed. Members of the Canadian women's army corps are granted 14 days.

[Mr. Latulippe.]

POST OFFICE CONSTRUCTION, PICTOU COUNTY, N.S.

Question No. 359—**Mr. MacEwan:**

1. Have sites been secured for all, or any of the post offices to be constructed at Scotsburn, Merigomish, Thorburn, Hopewell and Eureka, in Pictou county, Nova Scotia?
2. If properties have been secured for any, or all of the sites, what was the amount paid for each, and were alternative bids secured?
3. When will construction commence on these post offices and what is the expected completion date?
4. If the site has not been secured in any of these locations, is it the intention of the government to continue its efforts to secure same, or to postpone the project?

Mr. Deschatelets: 1. A site for a post office has been secured at Merigomish. Sites have not been acquired at Scotsburn, Thorburn, Hopewell or Eureka.

2. Part of the site at Merigomish is now being expropriated from Mrs. F. Smith for an agreed consideration of $350. The remainder is being acquired from the department of highways of the province of Nova Scotia for an agreed consideration of $35. The selected site was considered along with others but no alternate bids were secured.

3. The contract for the post office at Merigomish has been awarded. It is scheduled for completion in May, 1964.

4. Where sites have not been secured the projects have been deferred.

POST OFFICE CONSTRUCTION, COMPTON-FRONTENAC CONSTITUENCY, QUE.

Question No. 361—**Mr. Latulippe:**

1. Did the Department of Public Works commence construction of any post offices in the constituency of Compton-Frontenac during 1962-63, and, if so, how many post offices were involved?
2. Of this total, how many post offices were completed, where were they built, how much did each cost, who was the contractor, and how many men worked on each project?
3. How many post offices have not yet been completed, where are they situated, what is their estimated cost, and who are the contractors?
4. What were the names of all the tenderers for each project in 1962-63, what was the amount of each tender, and what were the reasons for choosing the successful tenderer in each case?

[*Translation*]

Answer: 1. No.

2, 3 and 4. Not applicable.

[*Text*]

WHARF REPAIRS, ARICHAT, N.S.

Question No. 363—**Mr. Muir (Cape Breton North and Victoria):**

1. Have tenders been called for a wharf repair job at Arichat, Nova Scotia, and, if so, what were the names and amounts of all those who tendered?
2. Has a contract been awarded and, if so, to whom?

Mr. Deschatelets: 1. Yes; G. J. Forgeron, West Arichat, Richmond county, Nova Scotia, $10,600.

2. Contract has not yet been awarded.

C.N.R. DELIVERY SERVICE, SOUTHAMPTON, ONT.

Question No. 367—**Mr. Loney:**

1. What is the name of the appointee to the C.N.R. delivery service in Southampton, Ontario?
2. What is the remuneration paid the appointee?
3. How many applications for the appointment were received by the C.N.R.?
4. What are the names of the applicants and what was the remuneration requested by each applicant?

Mr. Pickersgill: The management of Canadian National Railways advise that it has not been the practice of the management to disclose information from personal files of officers and employees, and the sessional committee on railways, air lines and shipping has supported this position in the past. Management advises that appointments of officials are made upon a judgment evaluation of the qualifications and experience of the individuals concerned.

WINTER WORKS, COMPTON-FRONTENAC CONSTITUENCY, QUE.

Question No. 368—**Mr. Latulippe:**

1. What municipalities in the constituency of Compton-Frontenac participated in the winter works program?
2. What amount has the government granted to each municipality and what was the nature of the works undertaken in each case?
3. What was the approximate number of workers involved in each case and what salaries were they paid?
4. How many unemployed persons were able to find work on each of these projects?

Mr. MacEachen: 1. See statement following.

2. See statement following.

3. This information will not be available until detailed claims have been received.

4. This information will not be available until detailed claims have been received.

Province of Quebec				Electoral District of Compton-Frontenac		
Number of project	Municipality	Description		Estimated number of men employed	Estimated payroll cost during period	Estimated Fed. Govt. payroll costs
					$	$
Que. 88	Audet	Road improvements		90	7,500	4,500
Que. 135	Bury (Rural)	Road and sidewalk construction		35	10,000	5,000
Que. 386	Cookshire (Town)	Installation of sewers, improvements to garage		20	12,000	6,000
Que. 2404	Cookshire (Town)	Construction of vault in town hall and clearing road		10	5,000	2,500
Que. 1718	Compton (Township)	Branch cutting on road sides		12	5,000	2,500
Que. 1716	Compton (Village)	Installation of water main		10	25,000	12,500
Que. 1209	Compton Station	Brushing along roads		10	3,000	1,500
Que. 1454	Ditton (Township)	Gravelling roads and digging ditches		50	14,300	7,150
Que. 1149	East Angus (Town)	Improvements to garage and municipal buildings		240	140,915	70,457
Que. 2069	Eaton (Township)	Road improvements		15	2,000	1,000
Que. 854	Emberton (Township)	Digging ditches		30	1,200	600
Que. 517	Frontenac (Parish)	Installation of sewers		40	12,000	7,200
Que. 516	Gayhurst (Parish)	Brush cutting and digging ditches along roads		40	7,000	4,200
Que. 842	Hampden (Township)	Brush cutting along roads, construction of culverts		25	8,000	4,000
Que. 2000	Hereford (Canton)	Brushing along roads		20	2,000	1,000
Que. 538	La Guadeloupe (Village)	Road improvements, fence construction		35	21,250	12,750
Que. 1836	La Guadeloupe (Village)	Construction of a fire station		40	25,625	15,375
Que. 1351	Lac Megantic (Town)	Improvements to dam, construction of retaining wall		75	68,000	40,800
Que. 1434	Lac Megantic (Town)	Installation of water mains and sewers		25	13,000	7,800
Que. 2412	Lac Megantic (Town)	Construction of retaining wall		80	30,000	18,000
Que. 1390	La Patrie (Village)	Street construction		10	1,000	500
Que. 754	Lingwick (Township)	Moving telephone lines		60	9,000	4,500
Que. 458	Marston (Township)	Road improvements		20	6,000	3,600
Que. 1428	Martinville	Road construction		8	1,600	800
Que. 431	Milan (Parish)	Road improvements		40	10,000	6,000
Que. 453	Nantes	Installation of sewers, construction of reservoirs		100	25,000	15,000
Que. 454	Nantes	Digging ditches, construction of sidewalks		10	2,400	1,440
Que. 710	Notre-Dame-des-Bois	Improvements to fire station and skating rink		35	15,000	9,000
Que. 839	Piopolis (Parish)	Construction of sidewalks, digging ditches		25	6,500	3,900
Que. 2183	Sawyerville (Village)	Improvements to reservoirs		10	4,400	2,200
Que. 66	Scotstown (Town)	Digging ditches, improvements to swimming pool		25	7,000	3,500
Que. 67	Scotstown (Town)	Installation of water main		12	2,600	1,300
Que. 546	Val Racine (Parish)	Road improvements, completion of municipal garage		50	10,000	6,000
Que. 790	Westbury (Township)	Construction of fence and culverts		20	2,000	1,000
Que. 1265	Winslow South (Parish)	Construction of sidewalks, digging ditches		30	3,500	2,100
Que. 783	Woburn (Parish)	Development of playground, improvements to municipal building		20	3,950	1,975
Que. 440	Ste. Cecile-de-Whitton (Parish)	Road improvements		60	7,000	4,200
Que. 939	St Edwidge-de-Clifton (Township)	Installation of sewers		30	8,000	4,000
Que. 1494	St. Hermenegilde	Brushing along roads		25	4,500	2,250
Que. 1306	St. Robert Bellarmin (Parish)	Digging ditches, installation of culverts		160	38,000	22,800
Que. 2167	St. Robert Bellarmin (Parish)	Road construction		85	25,000	15,000
Que. 437	St. Romain (Village)	Digging ditches		15	4,000	2,400
Que. 751	St. Sebastien (Parish)	Brushing along roads		15	3,500	2,100

FISHERIES BIOLOGICAL STATION, GRAND RAPIDS, MAN.

Question No. 370—**Mr. Stefanson:**

Has the federal government received a request from the province of Manitoba to establish a biological station at Grand Rapids, Manitoba to deal with freshwater fisheries in western Canada and, if so, what action has been taken or what action is planned?

Answer: No.

CLOSING OF U.S. REFUELING BASE, R.C.A.F. STATION NAMAO

Question No. 371—**Mr. Lambert:**

1. What is the proposed date of closing of the S.A.C. refueling base at R.C.A.F. station Namao, the intention of closing having recently been announced by the Minister of National Defence?

2. What consideration has been given to the redeployment of civilian personnel employed at the said refueling base?

3. Has any decision been reached as yet as to an alternative use for the building and facilities used for the refueling base and, if so, what is this decision?

4. If not, when is such a decision anticipated?

Answer: 1. July 1, 1964.

2. All employees will be interviewed by personnel officers of the Department of National Defence to determine their availability for transfer beyond the immediate locality, in the event that they cannot be placed in employment locally. All employees will be interviewed and registered by the national employment service. The civil service commission and government departments in the area will be provided with particulars affecting all employees scheduled for lay-off. Every effort will be made to find other employment for those persons and these efforts will continue after the closing of the strategic air command refueling operations at R.C.A.F. station Namao. The employees for whom other employment cannot be found will be placed on an official lay-off list and will be given preference in appointment to future vacancies with the government service.

3. Title to the buildings and fixed facilities which will be vacated by the S.A.C. detachment will remain with the Department of National Defence. The subsequent use to be made of these facilities will be determined in the light of over-all defence requirements taking into consideration recent organizational changes which have taken place in the Edmonton area.

4. It is anticipated that a decision on reallocation of the buildings and facilities will be reached either before or shortly after the close out date of July 1.

UNEMPLOYMENT INSURANCE AND ASSISTANCE PAYMENTS

Question No. 372—**Mr. Boulanger:**

1. How many persons in Canada received unemployment insurance benefits during October 1962?

Questions

2. How many persons in Canada received unemployment assistance payments during October 1963?

Mr. Lamontagne: 1. There is no figure available of the number of persons receiving unemployment insurance benefit in any month. The number of active claimants, i.e. the number of persons claiming benefits in Canada at October 31, 1962, was 244,140.

2. The Unemployment Assistance Act permits the provinces six months in which to submit claims, and thus the figures for October 1963 are incomplete; however, up to March 3, 1964, payments for 478,535 persons, including dependents, had been included in reimbursement claims submitted under the unemployment assistance agreements for October. The last month for which complete returns are available is July 1963, when the number included in claims was 650,557.

CONSTRUCTION OF PENAL INSTITUTION, NORTHWEST TERRITORIES

Question No. 375—**Mr. Rheaume:**

1. Does the government intend to proceed with the construction of a minimum security penal institution in the Northwest Territories and, if so, where is the intended location of such institution?

2. Have the plans and specifications of the project been completed and, if so, when is it intended to call for public tenders on the job?

3. What are the proposed dates of commencement of construction and completion of the project?

Mr. Deschatelets: 1. Yes; at Yellowknife.

2. The plans and specifications for this project have not yet been started but it is expected they will be completed in time to call tenders this fall.

3. It is anticipated that construction will start in late 1964 with completion scheduled for late 1965.

PARLIAMENT BUILDINGS—RENOVATION OF EAST BLOCK

Question No. 376—**Mr. Mather:**

Is consideration being given to renovating the east block of the parliament buildings and, if so, to what extent?

Mr. Deschatelets: Consideration is being given to making necessary alterations at the appropriate time.

WINTER CONSTRUCTION BONUS APPLICATIONS, LAKE ST. JOHN COUNTY, QUE.

Question No. 379—**Mr. Lessard (Lake St. John):**

How many applications for $500 winter house construction bonus have been received from the county of Lake St. John?

Mr. MacEachen: Twenty three applications for the $500 winter house construction bonus have been received from the county of Lake St. John. Of these one application was found

ineligible for the incentive payment at the time first inspection was carried out by Central Mortgage and Housing Corporation.

AIR TRANSPORT LICENCE TO QUEBECAIR

Question No. 382—**Mr. Marcoux:**

1. Does the Minister of Transport or the board of transport commissioners intend to award Quebecair exclusive rights of air transportation between Sept Iles, Baie Comeau, Saguenay, Quebec city and Montreal?

2. Do they intend to enable that company to operate exclusively between the Magdalen islands and Montreal, via Chandler?

[*Translation*]

Mr. Pickersgill: 1 and 2. Quebecair has made no applications to the air transport board for exclusive rights between the points indicated, and in consequence no consideration has been given to the matter.

[*Text*]

GOLDEN HAWKS ACROBATIC TEAM

Question No. 384—**Mr. Fleming (Okanagan-Revelstoke):**

With reference to the decision of the government to discontinue the operations of the Golden Hawks aerobatic flying team (a) what were the reasons for the team's disbandment (b) where and how many times did the Golden Hawks perform after their formation (c) what was the original cost of each of the Golden Hawk's Sabre jet aircraft and the Red Knight T-33 trainer (d) what was the annual maintenance and performance cost of the above aircraft for (i) fuel (ii) parts (iii) other specified costs (e) what is the anticipated saving by their disbandment both in direct detail and indirect detail (f) who were the pilots last year and what was their rank and pay (g) who was responsible for their maintenance and, if the R.C.A.F., what were the names, rank and pay of personnel employed (h) in what other countries are Sabre jet aircraft currently operational?

Answer: (a) The reasons for the disbandment of the Golden Hawks were given in detail in a statement by the Minister of National Defence on February 7, 1964. The principal reasons were the necessity to use the expenditures required to operate the team for more vital defence needs, and the fact that the F-86 Sabre aircraft flown by the Hawks is no longer in operational service in the R.C.A.F. and will soon be difficult and costly to maintain.

(b) Since the formation of the Golden Hawks aerobatic team in May 1959 they have performed 317 times in Canada and the United States.

(c) The original cost of each of the F-86 Sabre jet aircraft was $289,000 and the Red Knight T-33 trainer was $165,000.

(d) (i) Fuel and oil, $146,000; (ii) spares, repair and overhaul, $259,000; (iii) base support, $84,000.

(e) (i) military personnel cost, $289,000; (ii) fuel and oil, $122,000; (iii) spares, repair and overhaul, $230,000; (iv) base support costs, $71,000; total, $712,000.

[Mr. MacEachen.]

(f) Wing Commander R. J. Hatton, commanding officer; Squadron Leader J. L. Hubbard, team leader; Flight Lieutenant L. W. Grip; Flight Lieutenant D. J. Barker; Flight Lieutenant C. B. Lang; Flight Lieutenant A. Young; Flight Lieutenant E. J. L. McKeogh; Flight Lieutenant N. J. Garriock.

The annual pay cost of these eight pilots was $72,608; the pilots for the Red Knight aircraft were provided from within training command resources on an as required basis.

(g) The R.C.A.F. was responsible for the maintenance of the Golden Hawks. The maintenance force consisted of Flight Lieutenant C. G. Peterson, 1 flight sergeant, 4 sergeants, 14 corporals and 29 aircraftmen with a combined annual pay cost of $216,199. The Red Knight aircraft was maintained by the addition of 1 sergeant, 2 corporals and 9 aircraftmen positions to the training command establishment at an annual pay cost of $50,724.

(h) Effective December 1963.

Argentina, Australia, Belgium, Colombia, Denmark, Ethiopia, Formosa, Italy, Iran, Greece, Japan, Netherlands, Norway, Portugal, Philippines, Peru, Pakistan, Spain, South Korea, Saudi Arabia, Turkey, Thailand, United States of America, Venezuela, West Germany, Yugoslavia.

CLOSING OF RADAR STATIONS, QUEBEC

Question No. 385—**Mr. Laprise:**

1. To what extent does the government intend to help the civilian employees who will be affected by the closing of the radar station in (a) Parent (b) St. Sylvestre?

2. What departments will be called upon to cooperate in order to permit the government to achieve the desired results with regard to the assistance it wishes to give to the civilian employees affected by the closing of the radar station in (a) Parent (b) St. Sylvestre?

[*Translation*]

Answer: 1 and 2. All employees will be interviewed by personnel officers of the Department of National Defence to determine their availability for transfer beyond the immediate locality, in the event that they cannot be placed in employment locally. All employees will be interviewed and registered by the national employment service. The civil service commission and government departments in the area will be provided with particulars affecting all employees scheduled for lay-off. Every effort will be made to find other employment for these persons and these efforts will continue after the stations at Parent and St. Sylvestre are closed down. The employees for whom other employment cannot be found will be placed on an official lay-off list and will be given preference in appointment to future vacancies with the government service.

[*Text*]

APPLICATION FOR AIRPORT, CHIBOUGAMAU, QUE.

Question No. 386—**Mr. Laprise:**

Has the municipal corporation of Chibougamau, Chapleau county, applied for a permit to operate an airport in the vicinity of that town and, if so, what position has the government taken with regard to the application and what assistance will it give the town in this matter?

[*Translation*]

Answer: Yes, an application for an airport licence for an airfield on Hamel island was received on August 22, 1963. At the time of application the airfield was not sufficiently developed to meet the standard required for public use. The town indicated that the necessary improvements were to be undertaken and the the department would be advised when the work had been completed. Prior to receipt of the application for an airport licence, officers of the department visited municipal authorities and explained the safety and technical requirements which must be met before the airfield could be licensed. In this connection written guidance material was also presented to the town of Chibougamau for their assistance. To date no notification has been received from the municipality advising that the necessary improvements have been completed.

[*Text*]

VOCATIONAL REHABILITATION ACT—
AGREEMENT WITH QUEBEC

Question No. 387—**Mr. Laprise:**

Has the federal government come to an agreement with the province of Quebec in respect of the Vocational Rehabilitation of Disabled Persons Act and in respect of the co-ordination of rehabilitation services and, if so (a) when was the agreement reached (b) for how long is it to remain in effect (c) what are the terms of the agreement?

Mr. MacEachen: No. (a), (b) and (c) not applicable.

EXPROPRIATION OF POST OFFICE SITES, N.S.

Question No. 391—**Mr. Coates:**

1. What legal steps were taken by the government to institute expropriation proceedings in connection with the securing of sites for the Westchester and Joggins post offices?

2. What legal firm was employed to institute the proceedings in question?

Mr. Deschatelets: 1. Sites for post offices at Westchester station and Joggins, Nova Scotia, were expropriated on February 13, 1964. In both cases there was mutual agreement and the owners consented to expropriation to assure immediate quick clear title.

2. At Westchester station the agent employed for the Minister of Justice was Mr. R. F. McCunn, barrister and solicitor, River Philip, Nova Scotia. At Joggins the agent for the Minister of Justice was Mr. A. R. Lusby, barrister and solicitor, 39 Victoria street, Amherst, Nova Scotia.

WHARF REPAIRS, WALLACE, N.S.

Question No. 392—**Mr. Coates:**

When will tenders be called for wharf repairs at Wallace, Nova Scotia and what will be the nature of such repairs?

Mr. Deschatelets: Tenders have been advertised and are due April 15; the work will involve construction of an ell on the outer end of the existing wharf; renewal of the decking over the outer portion of the existing structure; and the paving of the approach section of the wharf.

POST OFFICE CONSTRUCTION BIDS,
WESTCHESTER, N.S.

Question No. 395—**Mr. Coates:**

1. Who was the low bidder for construction of the post office at Westchester and what was the amount of the tender submitted?

2. Were alternative bids received and, if so, from whom and in what amounts?

Mr. Deschatelets: 1. MacBurnie Bros. Limited, Tatamagouche, N.S.—$10,996.87.

2. Yes. D. H. Ryan, Springhill, N.S.—$12,500; A. N. Bayers Contracting Ltd., Halifax, N.S. —$12,686.

EMPLOYMENT ON POST OFFICE CONSTRUCTION,
WESTCHESTER, N.S.

Question No. 396—**Mr. Coates:**

How many residents of the Westchester area have been employed in the construction of the new post office for the area?

Mr. Deschatelets: Three.

POST OFFICE CONSTRUCTION EMPLOYMENT,
JOGGINS, N.S.

Question No. 397—**Mr. Coates:**

How many residents of the Joggins area have been employed in the construction of the new post office for the area?

Mr. Deschatelets: Three.

POST OFFICE CONSTRUCTION BIDS, JOGGINS, N.S.

Question No. 398—**Mr. Coates:**

1. Who was the low bidder for construction of the post office at Joggins and what was the amount of the tender submitted?

2. Were alternative bids received and, if so, from whom and in what amounts?

Mr. Deschatelets: 1. K. P. Allen Limited, Amherst, N.S., $11,135.

2. Yes. Sherman MacKay, Amherst, N.S., $15,978.75.

*C.B.C. PRODUCTION "THE OPEN GRAVE"

Question No. 403—**Mr. Rapp:**

1. Has the Canadian Broadcasting Corporation taped for screening on Easter Sunday, March 29, a show, titled "The Open Grave"?

Questions

2. How large is the cast for this show?
3. What was the cost of production?
4. Is this show a satire or caricature of the resurrection of our Lord?
5. Was any part of it produced by night in Mount Pleasant cemetery in Toronto?
6. For what purpose is this play being placed before the Canadian people?

Mr. Stewart: I am informed by the Canadian Broadcasting Corporation as follows:

1. The Canadian Broadcasting Corporation has recorded on film and videotape a production entiled "The Open Grave" for showing on March 25, not March 29.

2. The cast numbers 167, of whom 137 are extras.

3. It has not been customary to require the corporation to give such information as it could affect the corporation in the competitive business in which it is engaged.

4. No. The program is neither a satire, nor a caricature of the resurrection of our Lord.

5. Yes.

6. The program is an allegorical account of the execution of a leader and the disappearance of his body. It is produced as an actuality broadcast as though the events were happening here and now. The theme is considered by the corporation to be a suitable one for the Easter season.

[*Later*]

Mr. Rapp: On a point of order Mr. Speaker, it was stated in the answer given to question No. 403 that the C.B.C. does not disclose the cost of production in such cases, but I should like to point out that the cost of production was announced this morning on the radio.

GOLD SUBSIDIES TO MANITOU-BARVUE MINE, VAL D'OR, QUE.

Question No. 408—**Mr. Caouette:**

Does the Manitou-Barvue mine, of Val d'Or, receive subsidies from the federal government for the production of gold and, if so, what was the amount of these subsidies for each of the last five years?

Mr. Benidickson: Manitou-Barvue Mines Limited has not been eligible at any time for assistance payments under the Emergency Gold Mining Assistance Act.

WHARF IMPROVEMENTS, NEW CAMPBELLTON, N.S.

Question No. 412—**Mr. Muir (Cape Breton North and Victoria):**

What are the plans of the department concerned for wharf improvements at New Campbellton and how soon will this work commence?

Mr. Deschatelets: Minor improvements consisting of the placing of sheathing will be carried out. This work is scheduled to follow the lobster fishing season in July.

[Mr. Rapp.]

TENDERS FOR C-8 TRUCKS

Question No. 414—**Mr. Danforth:**

1. How many tenders were received by the Post Office Department under file 54A-5/8 (64/65) for 150 C-8 trucks?
2. What was the amount of each of the tenders?
3. To which company was this contract awarded?

Mr. Nicholson: 1. Seventeen.

2. (1) $11,970; (2) $12,367.50; (3) $12,750; (4) $13,153.50; (5) $13,942.50; (6) $14,164.50; (7) $14,700; (8) $15,314.67; (9) $15,714; (10) $16,983; (11) $17,250; (12) $17,325; (13) $17,325; (14) $19,200; (15) $19,928; (16) $22,644; (17) $37,329.

3. La compagnie Normand Ltee., St. Pascal (Kamouraska Co.) P.Q. ($11,970).

SALE OF LAND AND BUILDINGS, R.C.A.F. STATION, AYLMER, ONT.

Question No. 416—**Mr. Smith:**

1. What was the purchase price of the land and buildings of the former R.C.A.F. station at Aylmer, Ontario, purchased by the province of Ontario from the Crown Assets Disposal Corporation, and now used as a police college?
2. What was the purchase price of the land and buildings of the former R.C.A.F. station at Aylmer, Ontario, purchased by the province of Ontario from the Crown Assets Disposal Corporation, and used for other purposes?

Answer: 1 and 2. Crown Assets Disposal Corporation sold 555 acres of land and 14 buildings at the former R.C.A.F. station at Aylmer, Ontario to the government of province of Ontario for $58,000 and later, at the same site, also sold to that government, five plane hangars for the sum of $18,690. The corporation does not have information on record indicating what parts of the lands and buildings are actually being utilized for a police college.

RURAL MAIL TENDERS, RIVER JOHN, N.S.

Question No. 418—**Mr. MacEwan:**

1. Were revised tenders called for by the Post Office Department for R.R. No. 1, River John, N.S., mail route?
2. Who was asked to submit a revised tender, and for what reason was the invitation restricted to these persons?
3. For what reason was the request for revised tenders withdrawn by the Post Office Department?

Mr. Nicholson: 1. Due to a clerical error, the two lowest tenderers were inadvertently asked to submit reduced offers. When this error was discovered, the request was withdrawn and appropriate letters of explanation were sent to the persons involved.

2. Mr. Alex E. Innis, R.R. No. 1, River John; Mrs. Verna Mae Baillie, R.R. No. 2, River John. See also No. 1 above.

3. See No. 1 above.

USE OF JP-4 JET FUEL

Question No. 419—**Mr. Churchill:**

1. What type of fuel is being used by T.C.A. aircraft?
2. Was JP-4 fuel used in the jet aircraft that crashed at St. Therese?
3. Are the major American air lines using JP-4 fuel?

Mr. Pickersgill: The management of Trans-Canada Air Lines advise as follows:

1. T.C.A. uses two types of turbine fuel in accordance with the specifications drawn up by the international air transport association and the American society for testing materials. These fuels are kerosene with a low freeze point, and a wide cut fuel known as JP-4.

2. Yes.

3. Many major air lines use both JP-4 and kerosene, as do the military services. Pan American World Airways and Trans World Airlines are the larger users.

EFFECT OF WHEAT SALES ON BALANCE OF PAYMENTS

Question No. 425—**Mr. Latulippe:**

To what extent has the sale of Canadian wheat contributed to reduction of the national debt and the balance of international payments during the last year and, specifically, in what manner has this been achieved?

[*Translation*]

Answer: Wheat sales in the current accounts of the Canadian balance of payments in 1963 had an approximate value of $820 million, an increase of more than $200 million over the corresponding 1962 total. They helped reduce Canada's current account deficit from $848 million in 1962 to $521 million in 1963, together with related capital inflows (net figures).

[*Text*]

WHARF REPAIRS, WINNIPEG BEACH, MAN.

Question No. 434—**Mr. Stefanson:**

Are repairs planned for the wharf at Winnipeg Beach, Manitoba, during the fiscal year 1964-65 and, if so, what is the nature of the repairs and the estimated cost of same?

Mr. Deschatelets: Yes; extension and improvements to the breakwater wharf at an estimated cost of $14,500.

REFLECTIVE MARKINGS ON BOX CARS

Question No. 437—**Mr. Mather:**

1. What is the approximate number of railway box cars equipped with safety reflective markings, such as scotchlite?
2. What is the approximate number of railway box cars still to be so equipped?
3. What is the approximate annual number of railway box cars being so equipped?

Mr. Pickersgill: The Board of Transport Commissioners for Canada advise as follows:

Questions

1. As of December 31, 1963, a total of 31,020 cars were so equipped including approximately 1,400 tank cars.

2. Approximately 71,631.

3. Approximately 6,200 annually.

FARM MACHINERY EXPORTS TO RED CHINA

Question No. 438—**Mr. Fleming (Okanagan-Revelstoke):**

1. Are there any restrictions on the export sale of Canadian manufactured farm machinery to mainland China?
2. Are there any restrictions on Canadian manufactured farm machinery including American components?
3. If restrictions do apply to new farm machinery of Canadian manufacture with or without American components, do these restrictions apply to use farm machinery and what is the basis of any such restriction?

Answer: 1. An export permit is required to export goods to any country included in the area control list, which includes mainland China.

2. Answered by 1.

3. Whether the goods are new or used is immaterial to the permit requirement.

NATIONAL FLAG—SIGNATURES SUPPORTING RED ENSIGN

Question No. 458—**Mr. Coates:**

With reference to the answer given to starred question No. 54, was there an over-all total of 93,312 signatures received between April 8, 1963 and March 4, 1964 in support of the retention of the red ensign as Canada's national flag?

Mr. Lamontagne: The over-all total of 93,312 signatures was received between April 8, 1963, and February 19, 1964, the date on which question No. 54 was asked and the answer prepared.

C.B.C. TELEVISION STATION, FREDERICTON, N.B.

Question No. 460—**Mr. MacRae:**

Have any studies been conducted or is any consideration being given at this time to the construction of a C.B.C. television station in Fredericton, New Brunswick?

Mr. Lamontagne: I am informed by the Canadian Broadcasting Corporation that the answer is in the affirmative.

CONSTRUCTION OF NUCLEAR DETECTION AND REPORTING UNITS

Question No. 470—**Mr. MacRae:**

Have any discussions been held with the Pentagon relative to the construction in Canada of units of the nuclear detection and reporting system and, if so, what conclusion was reached as a result of these discussions?

Answer: Discussions have been held between Canadian and United States officials on matters of mutual concern relating to civil

defence on a confidential basis. In consequence, the publication of any results of such discussion would require the consent of both the Canadian and United States governments.

CANAL REPAIRS, CHESTER, N.S.

Question No. 484—**Mr. Crouse:**

1. When will tenders be called for repairs to the canal at Chester, Lunenburg county, Nova Scotia?
2. What is the amount allocated by the Department of Public Works covering repairs to the canal and bridge?

Mr. Deschatelets: 1. The department of highways, province of Nova Scotia, has agreed to construct the bridge and canal approaches starting in the early summer at federal expense. They have also agreed to take over the bridge and approaches as part of the provincial highway system upon completion of the work.

2. It is expected the cost will be about $25,000.

*CALGARY AIRPORT—DANGER FROM TOWERS

Question No. 500—**Mr. Deachman:**

Has the Minister of Transport received representations regarding the possible hazard to aircraft from high transmission towers proposed to be erected near Calgary international airport and, if so, what steps are being taken to safeguard aviation in the area?

Mr. Pickersgill: Representations have been received regarding the possible hazard to aircraft from high transmission towers proposed to be erected 12 miles south of Calgary international airport. While these do not constitute an unusual hazard, as a safeguard to aviation in the general area, the towers will be painted in alternating sections of international orange and white and lighted with red obstruction lights. As a further safety measure the location and height of these towers will be shown on appropriate aeronautical charts and a notice to airmen will be issued when construction work commences. These are the normal precautions taken in cases such as this. As this is a technical answer, sir, I may say I give it on the responsibility of my advisers.

QUESTION PASSED AS ORDER FOR RETURN

EFFECTS OF INSECTICIDES

Question No. 172—**Mr. Matheson:**

What studies have been or are being conducted by the government with respect to the effects of insecticides upon human, animal and vegetable life?

Return tabled.

[Mr. MacRae.]

PRIVILEGE

MR. RICARD—REQUEST FOR ANSWER TO QUESTION ON ORDER PAPER

Mr. Diefenbaker: Mr. Speaker, I rise before orders of the day—

Mr. Speaker: Order, please. There is a question of privilege from the hon. member for St. Hyacinthe-Bagot.

[*Translation*]

Hon. Theogene Ricard (St. Hyacinthe-Bagot): I rise on a question of privilege, Mr. Speaker. On February 20 last I put on the order paper the following question:

What standards were used to determine and justify the amount of the increase granted December last to the president of the Canadian Broadcasting Corporation, Mr. Alphonse Ouimet, when his salary was raised from $20,000 to $40,000 per year?

Mr. Speaker, this question has been on the order paper for more than a month and no answer has been given as yet. I am therefore asking the Secretary of State (Mr. Lamontagne) when he intends to give an answer.

[*Text*]

CANADIAN BROADCASTING CORPORATION

PROGRAM "THE OPEN GRAVE"—MOTION FOR ADJOURNMENT UNDER STANDING ORDER 26

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I rise for the purpose of moving the adjournment of the house, pursuant to standing order 26, to discuss a matter of public urgent concern and importance, namely the outraged religious feelings of Christians of all persuasions and faiths across Canada concerning the television show "The Open Grave", to which reference was made a moment ago in the answer given to question No. 403.

I may say that to my recollection this is the first time I have moved such a motion. According to the answer given, it is to be shown by the Canadian Broadcasting Corporation later this week, during holy week, the most sacred and solemn of the Christian year. Irrespective of the answer given to the question, advance information indicates that the showing will be a flagrant, scandalous and sacrilegious insult to a majority of Canadians. I say this because clergymen and outstanding religious leaders in both the Protestant and Roman Catholic churches have so commented.

As one who believes in freedom of speech, freedom of religion and the need for the C.B.C. to be an independent body, I cannot refrain from saying that we as Christians may question whether we include in freedom a licence to malign or hold religious faith up

to contempt. I say this because the C.B.C. is a public institution maintained by the people of Canada. While I have no personal knowledge of the facts connected with it, press reports indicate the show will cost Canada $50,000. That was on the radio this morning, so it must be correct.

I again emphasize this fact, that many leading clergymen of our country are deeply concerned over this particular matter. Therefore I say no more, except that this deserves to be considered by the House of Commons. Believing in freedom, it is our responsibility to ensure freedom as the portion of all our people.

Mr. Speaker: Order, please. I have to determine whether there is sound and sufficient ground to adjourn the business of the house under standing order 26. As to the importance of the matter discussed by the right hon. Leader of the Opposition, there can be little doubt as to the general interest either for or against, but the criterion on which I have to decide this question is one that has been mentioned several times by previous speakers, namely, is there opportunity to debate this matter in an effective way?

The matter is urgent, important, and certainly of general public interest, but it does seem to me, when we are in a budget debate and when interim supply will be reached on Wednesday, that this whole matter takes on more the appearance of a grievance than of being of sufficient national urgency and importance to adjourn all the proceedings of the house at this time to carry on debate on the proposed motion. Therefore, in view of the fact that opportunity will be given this afternoon in the budget debate and in view of the fact that interim supply, I assume, will be considered by the house on Wednesday next, it seems to me there is opportunity to discuss this important matter.

In the circumstances I regret I do not think that the house should be adjourned under standing order 26.

Hon. Gordon Churchill (Winnipeg South Centre): May I just ask one question, Mr. Speaker. Was it not said by the parliamentary secretary that this film would be shown on the 25th, which is Wednesday? It is rather late to be debating it on Wednesday when it is to be shown on that very day. Consequently I think there is urgency to consider the matter today, which is the 23rd.

Mr. Speaker: I am sorry, and I certainly do not wish to get into an argument or discussion with the hon. member. It is my duty to decide the matter one way or the other, and it does seem to me this is more in the nature of a grievance than a matter of sufficiently urgent public importance to adjourn the regular proceedings of the house. Therefore I must reiterate the conclusion previously stated, that I do not see sufficient urgency or importance to adjourn the house under standing order 26.

[*Later:*]

On the orders of the day:

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, I have a question for the Secretary of State. Could he inform the house if the usual consultation took place between the C.B.C. and the advisory council on religious broadcasting with respect to "The Open Grave" program? If not, why not?

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, I am not aware that such consultations have taken place, but I will seek the information and reply to the hon. member.

[*Translation*]

Hon. Paul Martineau (Pontiac-Temiscamingue): Mr. Speaker, I have a supplementary question. Could the Secretary of State tell us whether he contacted the C.B.C. authorities recently to have that program cancelled or revised in view of the protests it stirred up all across the country?

Mr. Lamontagne: No, Mr. Speaker.

Mr. Martineau: Does the Secretary of State intend to contact C.B.C. authorities on that matter before Wednesday night?

Mr. Lamontagne: Yes, Mr. Speaker.

[*Text*]

Mr. D. V. Pugh (Okanagan Boundary): Mr. Speaker, would the minister give the house an assurance that he will make immediate inquiries of the president of the C.B.C. into the suitability of the program "The Open Grave"?

Mr. Lamontagne: Mr. Speaker, I have already said that I intend to speak to the president of the C.B.C. about this matter.

LABOUR RELATIONS

GREAT LAKES—U.S. CO-OPERATION TO AVOID INTERFERENCE WITH SHIPPING

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I wish to ask the Prime Minister whether he has any observation to make regarding a statement made by the Secretary of State for External Affairs on Friday, to the effect that consultations have taken place with representatives of the United States administration. I understood from the statement that there was indeed an undertaking that the United States would do its part to assure that Canadian ships on the great lakes would be protected from harassment.

Would the Prime Minister say how the statement made by the Secretary of State for External Affairs is to be considered alongside a reported statement of the under secretary in Washington to the effect that there has been no consultation between the Canadian government and the United States administration, nor has any such undertaking been given?

Right Hon. L. B. Pearson (Prime Minister): Well, Mr. Speaker, the reply of the Secretary of State for External Affairs, to which my right hon. friend has referred, did state that it had been made clear that the co-operation of the United States in this matter was desirable and essential, and that he had pointed this out to the United States secretary of state in discussions which he had with him.

Now, Mr. Speaker, the reply of my colleague does not seem to me to go as far as the right hon. gentleman indicated it went in his question, but it certainly would not justify the kind of statement just made in Washington, to which my right hon. friend has referred.

I can tell him, as indeed I have told the house previously, that in the difficulties of last summer in regard to the harassment of Canadian ships in United States ports on the great lakes, the United States administration did promise to co-operate in doing what it could do to bring the harassment to an end, and it did in fact co-operate in that way. I feel sure we shall get that kind of co-operation from the United States authorities again in respect to similar circumstances if those circumstances should, unhappily, occur.

Hon. Leon Balcer (Three Rivers): A supplementary question to the Minister of Labour. Can the minister give an assurance to the house that the trustees will resist all efforts of Mr. Paul Hall to get hold of Canadian S.I.U. funds in order to take care of Hal Banks' $20,000 salary as vice president of the United States union, as guaranteed by Mr. Hall in a statement to the press?

Hon. A. J. MacEachen (Minister of Labour): I will be glad to draw the hon. gentleman's observations to the attention of the trustees, whom I shall be seeing later today.

Mr. Donald MacInnis (Cape Breton South): Is the minister not aware that the trustees have, necessarily, to sign the cheques in the event of any moneys being expended from union funds, and does he not think the trustees have complete control over any salary that Hal Banks might receive from this union?

Mr. MacEachen: Under the terms of the trusteeship act passed by this parliament the trustees have control over the financial activities of the seafarers international union of Canada.

Mr. MacInnis: This being the situation, will the minister not draw to the attention of the trustees the view that in no circumstances should Mr. Banks receive any Canadian funds in the form of salary?

Mr. Speaker: Order. That is a statement, not a question.

Mr. MacInnis: On a point of order, that was definitely a question, and the Minister of Labour nodded agreement. I did not make any statement; I asked a question.

EXTERNAL AFFAIRS

CYPRUS—INQUIRIES RESPECTING PEACE KEEPING FORCE

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): I should like to direct a question to the Prime Minister. Is the Prime Minister in a position to say when the Canadian troops in Cyprus will begin to carry out their duties as designated by the secretary general?

Right Hon. L. B. Pearson (Prime Minister): As the hon. member knows, the Canadian contingent of the United Nations peace force is in Cyprus at the present time and is carrying out certain duties. My colleague the Secretary of State for External Affairs is in Geneva at the moment, where he has been discussing with the secretary general of the United Nations questions in connection with the authority which is required by that force so that it may carry out its peace keeping duties effectively. In these discussions the Secretary of State for External Affairs has gone over the whole matter with the secretary general. He is meeting U Thant again today and will be back in the house very shortly, at which time he will be in a position to make a full report to the house on this very difficult and very delicate matter.

In the meantime I should like to remind the house that all United Nations peace keeping operations have developed largely as a result of the interpretation of a mandate to meet actual requirements. The United Nations had the same temporary difficulties that are being encountered in connection with this matter when it set up a peace force in the Suez area, and again when it set up the peace force for the Congo. Ultimately, in the case of the Congo operation—and it took longer in the Congo than I think it will take in connection with the Cyprus effort—the secretary general issued a detailed set of operational

procedures which dealt in particular with the right of self defence, and the right to shoot in self defence.

With its experience of peace keeping operations the United Nations is, I believe, well placed to judge what peace keeping methods should be applied in Cyprus, and it goes without saying that these methods will be the subject of consultation between the UN and the governments participating in the military operation. Those consultations are going on at the moment. They are going on, as far as Canada is concerned, between the secretary general and our Secretary of State for External Affairs. I understand that the secretary general will be in a position within a very few days to make a report to the security council in which some of these difficulties will be outlined and the solutions made known. We are in consultation with him at the moment with regard to this particular statement as well.

Mr. Nesbitt: I take it, then, from the Prime Minister's statement that in the event of any hostilities breaking out in Cyprus, it would probably be United Kingdom troops which would actually be engaged rather than Canadian troops at the present time.

Mr. Pearson: Well, the Canadian contingent of the United Nations force is engaged already in the sense that it has begun patrolling activities. In the event of hostilities breaking out the function, if any, which the Canadian contingent would perform would depend entirely on the nature of the hostilities.

I am sorry I cannot go into this matter in greater detail today. I wish I could. I am not trying to hold anything back from the house in connection with this important matter. However, I shall be in a much better position to make a fuller statement when I have had another opportunity of consulting with the Secretary of State for External Affairs, if indeed he is not back in the house to make a statement himself.

Hon. Paul Martineau (Pontiac-Temiscamingue): Is the Prime Minister in a position to make any statement on a reported incident involving a Canadian member of the peace force in Cyprus who wandered out of bounds and is said to have been shot at by guerrillas?

Mr. Pearson: Again, I am not in a position to deal with that matter because I am not aware of the details. I know it has been customary for a long time for soldiers, Canadian and others, to wander out of bounds, but I am not familiar with this particular incident though I would be very glad to look into it.

Mr. T. C. Douglas (Burnaby-Coquitlam): May I ask the Prime Minister whether any of the 7,000 British troops in Cyprus have been committed to the United Nations peace force, or whether they are still operating entirely under the terms of the Cyprus treaty. May I also ask the right hon. gentleman if the operational orders to which he referred will allow the United Nations peace keeping force to remove road blocks since it appears perfectly obvious that mechanized international patrols cannot very well travel over an island unless they have power to remove road blocks.

Mr. Pearson: As to the first question, it is my present knowledge that no United Kingdom forces as such have been allocated to the United Nations peace keeping force but that this will be taking place very shortly, that is, in the matter of a day or two.

As far as the second question is concerned, in the absence of knowledge of the detailed instructions which are now being worked out and which will be reported to the house as soon as I am in a position to do so, I cannot, of course, reply specifically. I think, however, it would be pretty obvious that if any force is to do this job it would require authority to remove road blocks or anything of that kind which would prevent it carrying out its functions.

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I should like to direct a supplementary question to the Prime Minister. Can he tell the house whether the troops promised by Sweden and Ireland are on their way to Cyprus or about to proceed there to lend their support to the Canadian troops which have joined the United Nations force.

[*Text*]

Mr. Pearson: I believe I am correct in saying that an advance contingent of the Swedish force is now in Cyprus, or will be in Cyprus in a matter of hours; and that this force will be followed in a day or two if not by the whole Swedish contingent, then by part of that contingent. It is also expected that both the Finnish and the Irish troops will be there shortly.

[*Translation*]

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, I should like to direct a question to the Minister of National Defence.

In view of the present situation in Cyprus, what steps have been taken for the prompt withdrawal of our troops from the island in the event of an invasion by continental Turkish and Greek forces?

[*Text*]

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, we hope and expect that this contingency will not arise. As a matter of fact, the reason Canadian troops are in Cyprus is to do their best to make sure it does not arise.

Mr. Lessard (Lake St. John): But should that happen, Mr. Speaker, will the government be disposed to withdraw our forces? It may happen.

Mr. Hellyer: May I say again that I hope and expect that it will not, but I am sure our armed forces have demonstrated their ability to be prepared for an emergency and to carry out assignments with noteworthy efficiency and praiseworthy effectiveness.

CUBA—REPORTED USE OF CANADIAN ENGINE FOR SUBVERSIVE PURPOSES

On the orders of the day:

Hon. Mitchell Sharp (Minister of Trade and Commerce): May I answer a question which was directed by the right hon. Leader of the Opposition to my colleague the Secretary of State for External Affairs on March 20, when he said:

I should like to ask the minister whether a protest has been received from the organization of American states in connection with the report of an investigation by a committee of the organization to the effect that a motorboat engine, delivered from Montreal to Cuba last October, was used to land a large cache of arms on a beach in Venezuela for subversive purposes. If so, has any investigation been made as to why this motor was not set out in a report of the dominion bureau of statistics for 1963?

My colleague the Secretary of State for External Affairs, who is at the United Nations conference on trade and development, has informed me the answer to the first part of the question is no.

As to the second part of the question, from the description of the goods in the customs form submitted by the shipper, the coding clerk in the dominion bureau of statistics coded the shipment as "engines, turbines and parts, general purpose, not elsewhere specified". If the hon. gentleman would like to look at the classification, it is class 50029. This statistical information appears under this item in the dominion bureau of statistics publication of export statistics.

AGRICULTURE

EASTERN FEED GRAIN—REPORTED STATEMENT BY MINISTER

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I wish to direct a question to the Prime Minister in order to find out whether he shares the views expressed by the Minister of Agriculture? According to the *Globe and Mail*, the minister is alleged to have said in Winnipeg:

[*Text*]

Mr. Hays said he opposes a Progressive Conservative suggestion of an eastern grain agency for buying feed grain for eastern farmers from the Canadian wheat board.

I ask the Prime Minister if he shares this view.

Right Hon. L. B. Pearson (Prime Minister): The hon. gentleman should know something about cabinet solidarity.

Some hon. Members: Oh, oh.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, after some of the devious examples of this recently I wish the Prime Minister would tell us whether the Minister of Agriculture spoke for the government when he used the words referred to by the hon. gentleman.

Mr. Pearson: Mr. Speaker, I have only my hon. friend's statement of a press report. The Minister of Agriculture—and I am sure all hon. members will be sorry to hear this—is not in the house—

Mr. Diefenbaker: When will he be back?

Mr. Pearson: —because he is ill; he is confined to his bed.

Some hon. Members: Oh, oh.

Mr. Pearson: I hope my hon. friends will not jeer at that, Mr. Speaker, because it happens to be accurate. I have already been in touch with him by telephone, and I will be glad to check on the authenticity of these observations.

Mr. Diefenbaker: Mr. Speaker, may I extend to the minister our best wishes for a speedy recovery.

Mr. W. H. Jorgenson (Provencher): Mr. Speaker, I wonder whether the Prime Minister would tell us, in view of widespread concern over a division in the cabinet on matters relating to agriculture, if he would be prepared to make the statement that was promised to the house by the Minister of Agriculture when I asked the question last Monday, so the country will know that the interests of the farmer are not entirely ignored by this government.

Mr. Pearson: Mr. Speaker, I am sure the country knows that the interests of the farmer will be protected by this government and the Minister of Agriculture, and that no such reassurance is required.

Mr. Jorgenson: May I ask the Prime Minister—

Mr. Speaker: Order.

Mr. Jorgenson: A supplementary question, Mr. Speaker—

Mr. Speaker: I listened to the hon. member's supplementary question, and it seemed to me he received a complete answer.

Mr. Diefenbaker: Mr. Speaker, I wonder whether I may ask a further question. The Canadian Press reports from Winnipeg as follows:

Mr. Hays, speaking in a press conference, said most of the pressure was coming from Quebec members and this pressure had forced Prime Minister Pearson to appoint a minister from Quebec to look after the question of feed grains.

Some hon. Members: Order.

Mr. Diefenbaker: I continue:

Mr. Hays said half the feed grains from western Canada go to Quebec and the appointment was caused by "a political problem".

Is that correct?

Mr. Pearson: Mr. Speaker, as my right hon. friend used to remind us so often when we sat on that side of the house, it is against the rules of the house to be asked to comment on the accuracy of press reports. But if he breaks the rules, I do not mind cooperating in a desire to set his curiosity at rest. I shall be very glad to look into that particular press report.

[*Translation*]

Mr. Pigeon: Mr. Speaker, I should like to direct a supplementary question to the Prime Minister. Since an important delegation of farmers from Joliette wants to organize a march on Ottawa to support the catholic farmers union's meeting with the Minister of Agriculture on dairy problems, does the Prime Minister intend to enter into communication with his Minister of Agriculture through the Telstar, to advise him to be in attendance in Ottawa to receive this delegation?

[*Text*]

Mr. D. V. Pugh (Okanagan Boundary): I have a supplementary question for the Prime Minister, Mr. Speaker. In view of statements made as to who is running agriculture, I should like to know who, in this troika, has the veto.

Some hon. Members: Oh, oh.

Mr. Speaker: Order, please.

Mr. Pearson: Mr. Speaker, it is quite clear who is running agriculture in this cabinet—

An hon. Member: Nobody.

Mr. Pearson: —and it is also quite clear that it is not the former minister of agriculture, who is now in Peking.

Some hon. Members: Hear, hear.

LEGALITY OF ACTIONS DURING TRANSFER OF DUTIES

On the orders of the day:

Mr. Terry Nugent (Edmonton-Strathcona): Mr. Speaker, I have a question for the Prime Minister. Some time ago the Prime Minister indicated that he would be dealing with the question of the cabinet changes and the point I raised about the legality of the action of the government from the 3rd to the 20th of February in the Department of Agriculture. In view of the pending recess, would the Prime Minister assure the house now that the statement he has prepared in that regard will be made early enough to give all members a chance to join in the discussion which will certainly take place on the illegality of the action taken?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I would have been glad to be able to make that statement last Monday, but this item was not reached in the consideration of the supplementary estimates. As soon as it is reached I will be glad to make a statement. It was not reached because hon. gentlemen opposite spent the afternoon discussing the item in the estimates which had been under discussion when the house adjourned on the Friday before, but as soon as it is reached I will be glad to make a statement, and I hope there will be ample opportunity for my hon. friend and others to comment on it.

Mr. Nugent: A supplementary question. Do I take it that the Prime Minister is not going to go out of his way to make any special arrangements to make sure there will be a chance to discuss this important question before Easter, having in mind that the whole country is worrying about what is going on in the cabinet?

Mr. Pearson: If my hon. friend wants me to interrupt the business of the house to bring forward this particular item, that can be considered; but I see no necessity for doing so when after the budget debate is adjourned we will proceed with supplementary estimates and interim supply. There will be ample opportunity then. If we do not get interim supply through we will have to reconvene next week instead of having a holiday.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, in that connection may I make the suggestion that the next item of business after the budget debate

is adjourned should be interim supply rather than going ahead with the supplementary estimates. Interim supply certainly requires attention, but I would point out that we intend to discuss the supplementary estimates, and any threat that we may be called back earlier will not divert us one bit.

Mr. Pearson: I think the proper order of business would be that following the adjournment of the budget debate we go on with the supplementary estimates, and as soon as they are passed then take interim supply. I hope we will then be able to adjourn for Easter week.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, since we are discussing the order of business for this week may I ask the Prime Minister a question. It is based on the hope he expressed last Monday and again last Tuesday that second reading of the Canada pension plan bill would be proceeded with before Easter. May I ask him what has happened to that hope?

Mr. Pearson: I expressed that hope and I still have hope, Mr. Speaker, but the realization of that hope depends on how we deal with the other business before the house which is now under consideration.

VETERANS AFFAIRS

POSSIBLE TRANSFER OF HOSPITALS FROM FEDERAL CONTROL

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I should like to ask the Minister of Veterans Affairs whether he has agreed to the very urgent request of the Royal Canadian Legion that he discontinue immediately all action on the proposed handover of D.V.A. treatment facilities to other levels of government.

Hon. Roger Teillet (Minister of Veterans Affairs): Mr. Speaker, I have not yet replied to the request that was made and the letter I received, but I do not accept the hon. gentleman's interpretation of it.

Mr. Churchill: I used their exact words; I was not interpreting anything.

Mr. Teillet: I would simply like to point out, Mr. Speaker, that the points raised by the Royal Canadian Legion will be taken into account, as I have stated before, when any case is taken into consideration, and it will be handled on its merits in the light of these representations.

Mr. C. S. Smallwood (Battle River-Camrose): I have a supplementary question, Mr. Speaker, which I should like to direct to the Minister of Veterans Affairs. Has the minister received telegrams from the Canadian Legion in Alberta; and if so, what action has he taken?

Mr. Teillet: Mr. Speaker, I think this is the question that was asked on Friday, and I answered the second part of the question—

Mr. Smallwood: No, it was not; I have not asked the question before.

Mr. Teillet: —and said I had received such telegrams and they are being taken into consideration. I answered the second part of that question then and said that as no decision had been taken with regard to any specific hospital, there was no question of change. I should apologize to the hon. member for New Westminster, I believe it was, in connection with my reply to a question last Friday with regard to the Victoria and Shaughnessy hospitals. I should have mentioned that he had sent me notice of that same question, and the reply I then gave applies.

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, because of the concern of veterans organizations with regard to the policy announced by the minister, and the need for and importance of consultation with the dominion commands of these veterans organizations, would the minister defer any action in connection with this policy until the matter has been referred to the standing committee on veterans affairs?

Some hon. Members: Hear, hear.

Mr. Teillet: I have already answered that question in the house, Mr. Speaker.

PUBLICATIONS

REQUEST FOR FREE DEBATE AND VOTE ON LEGISLATION

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I wish to ask the Prime Minister a question relating to the proposed legislation to assist Canadian periodicals. Is the Prime Minister at the present time considering what is called a free vote and a free debate on this issue in so far as his own members are concerned, or that part of it dealing with *Time* and *Reader's Digest*?

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker, that matter has not been considered.

NATIONAL DEFENCE

INQUIRY AS TO PRESENTATION OF WHITE PAPER

On the orders of the day:

Hon. D. S. Harkness (Calgary North): Mr. Speaker, I should like to direct a question to

the Minister of National Defence. Is the minister going to issue his white paper on defence before the Easter recess; and if so, when?

Hon. Paul Hellyer (Minister of National Defence): I hope so, Mr. Speaker; and if it is possible, it will be getting fairly close to the recess, I am afraid.

[*Later:*]

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, in the light of the oft repeated hope of the Minister of National Defence that he will soon publish a white paper, can he assure the house that substantial portions of that paper have not already been leaked, having in mind press reports which are so detailed that they are more than speculative?

Mr. Hellyer: Mr. Speaker, all I can say is that as far as I am concerned the paper has not been leaked. There have been a number of speculative stories that have attempted to guess in advance some of the things that may be contained in the paper. I am afraid I cannot give my friend any information as to their accuracy or otherwise until the paper is produced, which I hope will be very shortly.

Mr. Lambert: A supplementary question, Mr. Speaker. Is the minister in a position to say that senior officials of his department have not discussed the contents of this white paper, in the light of reports of discussions with senior officials of his department about the proposed contents of the paper?

Mr. Hellyer: I am sure that the senior officials of my department have not been discussing the contents of the white paper in detail. I am sure, on the other hand, that there are many people in the Department of National Defence discussing what they think is in the white paper, because it has been a topic of quite lively conversation there for some time.

NORTHERN AFFAIRS

INQUIRY RESPECTING NORWEGIAN EXPEDITION TO NORTH POLE

On the orders of the day:

Mr. R. W. Prittie (Burnaby-Richmond): Mr. Speaker, I should like to ask the Minister of Northern Affairs and National Resources whether he has any further statement to make concerning the Norwegian polar expedition, about which there were some news reports recently.

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, this concerns the Staib expedition to the north pole. I want to say that the government of Canada, and especially my own department, have co-operated in every possible manner with this expedition, first because it involved the citizens of a friendly power, and second because we are interested in any information that can be obtained in respect of the north.

The latest news we have is that the expedition staged out of Alert, where of course we have some security considerations, went only some 12 miles and had returned to Alert. They had intended to use Ward Hunt island as a base, which is about 100 miles west of Alert, but found the going too rough and decided to sally forth from Alert. They have now returned to Alert and intend, I think, to use Eskimo sledges in their next attempt. But I have further, very much more serious news, in that their chief radio operator, a man by the name of Thorstein Raaby —who I believed was one of the heroes of the Kon-Tiki expedition—died yesterday of a presumed heart attack, and an inquest will be held at Alert as soon as possible.

Mr. H. W. Herridge (Kootenay West): A supplementary question, Mr. Speaker. Can the minister assure the house that Canada has established her claim to sovereign rights over all the Arctic islands, and that this is unquestioned by any other nation?

Mr. Laing: Mr. Speaker, I do not think this is at all related to the question asked by the hon. member for Burnaby-Richmond. I think it is an entirely different matter and could be asked on a different occasion.

CANADIAN CENTENNIAL

QUEBEC—ALLEGED PATRONAGE IN AWARDING CONTRACTS

On the orders of the day:

[*Translation*]

Mr. Guy Marcoux (Quebec-Montmorency): Mr. Speaker, I should like to direct a question to the Secretary of State. The urgency of the matter is clear since the statement was made over the week end. It is also a matter of national character, since it refers to works to be undertaken in connection with the celebration of the centenary of confederation.

Will the Secretary of State see to it that the Quebec government does not resort to patronage in awarding contracts for works in connection with the centenary of confederation?

In fact, it is provided in one of the clauses of the agreement that:

> The minister can however allow tenders to be asked privately to a limited number of efficient and solvent contractors. The number must not be less than three if the tender is below $500,000 and not less than five when it reaches or is over that amount.

Since clause 16 is inconsistent with clause 15 which provides that public tenders will be called, I would like to ask the minister whether he will prevent the Liberal government of Quebec from resorting to patronage with funds allotted for the works of the centennial of confederation, a third of which comes from the federal government?

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, to my knowledge, the provincial government has no intention of using the centennial project for patronage purposes. Anyhow, the provincial government is entirely responsible for the regulations it sets up as regards this project.

[*Text*]

HOUSING

REQUEST FOR EXTENSION OF WINTER CONSTRUCTION BONUS

On the orders of the day:

Mr. Jean-Pierre Cote (Longueuil): Mr. Speaker, I have a question for the Minister of Labour. May I ask the minister whether the period for the winter house building program will be extended after March 31 on account of the shortage of materials and the lack of workers which delayed the completion of a large percentage of houses?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, the national house builders met with me today and put forward the view that completion of certain houses under this program has been held up owing to shortage of certain classes of tradesmen at various stages of the program. This whole question is now under consideration to ascertain the full facts and with the possible view of extending some relief in this situation.

HOUSE OF COMMONS

EMPLOYMENT OF HOUSE STAFF DURING EASTER RECESS

On the orders of the day:

[*Translation*]

Mr. Gerard Laprise (Chapleau): Mr. Speaker, I wanted to put a question to the leader of the house, but in his absence, I shall direct it to the Prime Minister.

Could the Prime Minister publish a notice showing the holidays of secretaries and other employees of parliament during the Easter recess?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I thought it had already been indicated to the house that it is our hope and intention to adjourn Thursday evening and resume our session on April 6. There is one reservation to that, of course, and that is on the understanding that interim supply is passed by the house.

Mr. Churchill: No, you did not say that the other day.

[*Translation*]

Mr. Laprise: A supplementary question, Mr. Speaker. I think that the Prime Minister misunderstood my question. I am not referring to members of the house, but to secretaries and other employees of parliament.

[*Text*]

Mr. Pearson: Well, I think this is a matter for Your Honour, and I am sure you will be glad to look into it.

WORLD FAIR

PROPOSED ALTERNATIVE FOR SYMBOL REMOVED FROM BILL

On the orders of the day:

[*Translation*]

Mr. L. P. Antoine Belanger (Charlevoix): Mr. Speaker, I should like to direct a question to the Minister of Trade and Commerce. Could he tell me whether he is aware of the fact that a sketch for an emblem representing the theme "Man's World", copy of which was included with my notice, was submitted for approval to the 1967 World Fair Corporation? That sketch was made by Mr. Philippe E. Maltais, La Malbaie artist.

If the minister is aware of that, could he tell the house (a) whether that sketch was taken into consideration; (b) why was it not adopted instead of the one rejected by this house?

[*Text*]

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

[*Later:*]

Mr. Barry Mather (New Westminster): Mr. Speaker, I have a question I should like to direct to the Prime Minister. I understood the Prime Minister to undertake last week to look into the matter of the world fair directors adopting a controversial symbol for the fair in defiance of parliament. I wonder whether he has any statement to make.

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker. When I got to my office this morning I inquired whether the report which I had requested had arrived. It has not, but I am told it will probably arrive today, in which case I will be able to make a statement tomorrow.

LABOUR CONDITIONS

D.E.W. LINE—ENFORCEMENT OF DECISION RESPECTING BARGAINING AGENT

On the orders of the day:

Mr. Gene Rheaume (Northwest Territories): Mr. Speaker, my question is directed to the Minister of Labour and stems from some 70 telegrams which have come to me today from all parts of the Arctic, sent by Canadian workingmen employed on the distant early warning line. Will the minister take immediate action to insist that the United States Federal Electric Corporation respect the decision of the Canada labour relations board and the court of Queen's bench of Manitoba that these men be allowed to have as their bargaining agent the I.B.E.W.?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, I have also received telegrams, or at least one telegram, this morning and the officers of the Department of Labour are conducting an investigation into the matter.

Mr. Rheaume: A supplementary question. Will the minister, at the same time he is investigating this matter, look into whether or not an agreement was signed between Washington and Ottawa whereby the rights of these men to bargain collectively were suspended?

Mr. MacEachen: Yes, Mr. Speaker.

CROWN ASSETS

CRANBERRY PORTAGE, MAN.—HEATING OF UNUSED BUILDINGS

On the orders of the day:

Mr. Robert Simpson (Churchill): Mr. Speaker, I should like to direct a question to the Minister of Defence Production in relation to the closing of a section of the mid-Canada line on March 31, and in view of the fact that the heating of the buildings at Cranberry Portage, Manitoba, was discontinued last week. Will the minister look into this matter immediately in order to preserve these buildings for some useful purpose?

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, I think the hon. member for Churchill is already aware that a representative of the area development agency is now in Manitoba examining into this particular question.

Mr. Simpson: A supplementary question. I understand that the representative was there, but nothing was decided upon with regard to the heating of these buildings.

TRANSPORT

NEW FREIGHT FERRY, NORTH SYDNEY-PORT AUX BASQUES

On the orders of the day:

Mr. Robert Muir (Cape Breton North and Victoria): Mr. Speaker, I have a question for the Minister of Transport. In view of the minister's announcement at a meeting at North Sydney during his visit there that a new freight ferry would be put into service between North Sydney and Port aux Basques, and in view of his announcement to the press after the meeting that it would carry loaded railway freight cars, does this mean that the railway in Newfoundland is to be standardized?

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, I do not think that that would be a correct inference to draw.

Mr. Muir (Cape Breton North and Victoria): May I ask the minister what effect the operation of this railway freight car ferry between the points I mentioned will have on the employment of stevedores at the port of North Sydney?

Mr. Pickersgill: Mr. Speaker, since the tenders have not yet been called for this ferry, and since it will take some time for it to be built, I think there will be plenty of opportunity to inquire into all the aspects of its effects long before it goes into service; and I am sorry to say that this is, as the hon. member knows, a matter of years.

Mr. Muir (Cape Breton North and Victoria): Is the minister aware that it has been suggested that employment will be reduced by 75 per cent? So it is not too early to start investigating the problem now.

Mr. Pickersgill: Experience has been that traffic has grown so much since confederation that employment is always going up, and this is likely to continue if we improve the communications between Newfoundland and the rest of the country.

PENSIONS

CANADA PLAN—POSSIBLE PARTICIPATION BY QUEBEC

On the orders of the day:

[*Translation*]

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, I wish to direct to the Prime Minister a question of which I gave him notice.

Has he received recently indications to the effect that the government of Mr. Lesage intended to withdraw its pension plan proposal in order to join the program introduced by the federal government, following the last changes made to it?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker.

URANIUM

INQUIRY AS TO RENEWAL OF CONTRACTS

On the orders of the day:

Mr. R. A. Webb (Hastings-Frontenac): I should like to direct a question to the Minister of Trade and Commerce. Since the contracts for uranium are nearing completion, what steps is the government taking for renewal of those contracts, which would ease the anxiety of thousands of citizens in the Bancroft area?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Representations have been received by me and by several members of the government for renewal of these contracts. These representations are being studied.

POWER

COLUMBIA RIVER—PAYMENT FOR DOWNSTREAM BENEFITS

On the orders of the day:

Mr. Stuart A. Fleming (Okanagan-Revelstoke): Will the Minister of Finance explain the $54 million difference between the $220 million to be borrowed for payment to British Columbia for downstream benefits, as stated in his budget speech, and the $274 million provided for in the Columbia river treaty protocol?

Hon. Walter L. Gordon (Minister of Finance): I should like to reserve the right to add to this explanation, but I think the difference will be used by the British Columbia government to repay certain debts in the United States.

Mr. Fleming (Okanagan-Revelstoke): Does this mean that this lump sum payment will not be invested in a reserve fund to be used exclusively for Columbia river construction purposes?

Mr. Gordon: It or its equivalent will be, Mr. Speaker.

Mr. D. V. Pugh (Okanagan Boundary): May I ask a supplementary question. What measures is this government taking to safeguard the rest of the fund?

Mr. Fleming (Okanagan-Revelstoke): From raiding.

[Mr. Lessard (Lake St. John).]

PUBLIC SERVICE

REQUEST FOR CHANGE IN CIVIL SERVICE APPLICATION FORM

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): I should like to direct a question to the Secretary of State who, I believe, answers in the house for the civil service commission. In view of the government's recent proposed amendment to the citizenship act, will the Secretary of State request the civil service commission to remove or modify certain questions in its application for employment form which, by implication, discriminate against naturalized Canadians? I refer to questions 19 and 20 on page 1 of the application form and the series of questions in this regard on page 3 of the form.

Hon. Maurice Lamontagne (Secretary of State): I will refer this matter to the civil service commission and give an answer to the hon. member later.

TRADE

AUTOMOBILE PARTS—REPORTED REFUSAL OF U.S. SUBSIDIARY COMPANIES TO SHIP TO CHINA

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): I should like to ask the Minister of Trade and Commerce whether he has received any complaints from Canadian exporters with regard to the refusal of automobile companies in Canada which are subsidiaries of United States automobile manufacturers to supply automotive parts for export to China. I should like to ask the minister if this refusal is based upon the declared policy of the United States government, and if so does the minister consider this action to be a violation of Canada's right to exercise control over its own economy?

Hon. Mitchell Sharp (Minister of Trade and Commerce): The hon. gentleman was good enough to send me notice of this question. Personally I have not received any complaints, but before answering the question I have sent out some inquiries to my colleagues, and I shall answer the whole of his question tomorrow.

Mr. Douglas: I may tell the minister that I have seen a copy of a reply from his office, and may I ask him if he will look again and make sure whether he has received a letter?

Mr. Sharp: This was one of the reasons I was a little hesitant about answering at all. It may be that there is a complaint that has escaped the attention of my officials. However, I shall answer this question tomorrow.

UNITED NATIONS

RUSSIA—REFUSAL TO SHARE COST OF PEACE KEEPING OPERATIONS

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): May I direct a question to the Prime Minister arising out of the declaration made by a representative of the U.S.S.R. on Saturday that the Soviet union will never pay its assessment to the United Nations for the Congo and Middle East forces, and that any challenge to its right to vote in the general assembly on that account may break up the United Nations. In view of this statement of defiance of the United Nations, and the responsibilities assumed by the U.S.S.R., and the declaration of the international court of justice that these peace keeping costs should be borne by the membership, what is the attitude of Canada in this regard?

Right Hon. L. B. Pearson (Prime Minister): I read this report, and I share my right hon. friend's concern over it. Perhaps I could make a very short statement on the matter.

As the house is aware from previous reports that have been made to it, effective January 1, 1964, the Soviet union and a number of other member states of the United Nations became vulnerable to the application of article 19 of the charter, mainly through their failure to pay their assessed share of peace keeping costs of the United Nations. The application of this article, which provides for the loss of voting in the general assembly for members whose payments are in such arrears, will take effect when the general assembly next meets unless steps have been taken to liquidate the arrears.

The Soviet statement to which my hon. friend has referred is a further indication of the Soviet union's refusal to contribute to the financing of peace keeping operations. This manoeuvring for position, and that is what it is, in relation to a most important issue in the United Nations is being studied very closely by the government because of its implications for future effectiveness of the United Nations and the discussion of proposals for the financing of peace keeping operations, and also because of the position that will arise at the United Nations assembly when it may be necessary to apply—and it is a very serious step to take—this particular article to the Soviet union and other members of the United Nations who are in arrears.

Mr. Diefenbaker: I share with the Prime Minister his feelings in this regard. I should like to know from him what is the attitude of the Canadian government in connection with this matter. Can any member of the United Nations, by unilateral action, refuse to be bound by its pledged agreement? If so, this would place the United Nations in a position of division as between those who will assume their responsibilities and those who will not, which would result in a complete negation of the charter and the agreements that have been entered into. What representations has the government of Canada, as a middle power within the United Nations, made to the U.S.S.R. in this connection? Because unless there is action taken the United Nations will be a caricature of what otherwise it would have been.

Mr. Pearson: Mr. Speaker, for some time now we have been exchanging views with some of our friends in the United Nations as to what action should be taken in the circumstances which may arise and to which my right hon. friend has made reference. It seems to me that no member of the United Nations, particularly a member which enjoys permanent representation on the security council, with a veto, should be exempted from the obligations of the charter in this particular matter, and that there should be no discrimination in favour of any member of the United Nations.

Mr. T. C. Douglas (Burnaby-Coquitlam): A supplementary question, Mr. Speaker. I want to ask the Prime Minister if the Canadian delegation to the United Nations assembly when it meets will be instructed by the government to urge that all delinquent nations including the Soviet union and France, both of whom I understand are delinquent, or any other nation that is delinquent, be required to live up to the terms of article 19?

Mr. Pearson: We will be very glad indeed to do that. Not only the Soviet union but other members of the United Nations are in default in this particular case, and all members should live up to their obligations in this respect.

DOMINION-PROVINCIAL CONFERENCE

INQUIRY AS TO REPRESENTATION OF YUKON AND NORTHWEST TERRITORIES

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, I have a question for the Prime Minister in relation to the forthcoming federal-provincial conference later this month. Has he yet received replies to the letters he sent to the provincial premiers? If so, is there a likelihood that the governments of the Yukon and the Northwest Territories will be represented at this conference?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, the majority of the provinces which dealt with this particular matter in their replies felt that there should be no interruption of the procedure followed in the past, under which the territories are represented by the federal delegation.

THE BUDGET

ANNUAL FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The house resumed, from Friday, March 20, consideration of the motion of Hon. Walter L. Gordon (Minister of Finance) that Mr. Speaker do now leave the chair for the house to go into committee of ways and means, and the amendment thereto of Mr. Nowlan.

Mr. J. H. Horner (Acadia): Mr. Speaker, in rising to take part in the budget debate one naturally thinks of last year's budget, which the minister termed a face the facts budget. He had no name at all for this budget, and I think that was very appropriate. However, if one looked for a name one might call it a do nothing budget. Many people have hung different phrases on it, but I rather like the description put on it by the hon. member for Red Deer (Mr. Thompson), "a thin sandwich with very little meat in it". I wonder how his party will vote when their turn comes to declare whether or not they support the budget. I suppose they will think that a thin sandwich is better than none.

When one thinks of last year's budget and this year's budget from the point of view of their effect on the economy of Canada, one finds many surprising things. I immediately think of the increase in our total debt. No one minds going in debt if they are accomplishing something by doing so. Last year's budget caused an increase in the per capita national debt of 4.2 per cent. Yet my hon. friends of the Social Credit party, who so often tell us about the dangers of going into debt, voted for it. This year's budget will bring about an increase in the total amount of Canada's debt larger than in any other year going back nearly as far as the war years. There will be an increase of over $1 billion in the total national debt in 1963-64 brought about by this budget. Yet the Social Crediters will probably vote for this highest increase in the per capita debt in Canada going back as far as 1954.

In 1954 per capita debt in Canada was something like $727. In 1955 it was cut to $717, and we reduced it to a little over $600 in 1960. In 1963 it was $736, but this coming year it will rise to $789, an increase of $50 for each Canadian. Yet my friends, the Social Crediters from Alberta, who hate debt and talk against debt, will in all likelihood vote for this huge increase.

One can only take from this that they talk one thing and vote another. They have become so degenerate with this procedure of talking one way and voting another that they are very two-faced, to say the least. Two weeks ago in this house they voted against an amendment which we introduced during the debate on the throne speech, to provide family allowances up until the age of 18 years, but when the final vote is taken on the budget they will probably vote in favour of extending the age limit.

This perhaps points out that an erosion of democracy is setting in, particularly in that party. When people vote one way and then the opposite way, all within a two week period, one must realize there is great danger when they value their vote so lightly. This is an erosion of the very democracy in which we participate.

We on this side of the house are not afraid to borrow money and have budget deficits, so long as those deficits go to the building of the country and to improving its economy. During our term in office we built dams, vocational schools, the Pine Point railroad, power projects, helped shipbuilding and provided roads to resources in the north. We also paid more to the provinces on a very equitable basis. If anyone doubts that, let him look at the report of the recent federal-provincial conference where the tables show that between 1956 and 1963 amounts paid by the federal government to the provinces increased threefold. In 1956 the provinces received something like $600 million and in 1962-63 they received nearly $2 billion from the federal government.

Anyone can talk about deficits, but if he examines how the money was spent he would not mind borrowing money used to develop the country and to give the provinces a greater share in participating in its development. In the present budget we see an increase in taxes with another huge deficit, and we wonder what the government is doing with the money. For one thing it has been increasing salaries all around. The top echelons in the C.B.C., civil service and the armed forces have all received tremendous pay increases but the lower echelons have received very little.

One may well ask where the present buoyancy of the economy came from, but if we look at the Bank of Canada's report for 1963 we find this statement on page 7:

> The over-all performance of the Canadian economy in 1963 was encouraging. Substantial increases in output and employment were achieved for a third consecutive year—

I emphasize those words "third consecutive year." It goes on to say:

> Further gains were made by Canadian manufactured goods in 1963 both in export markets and in competition with imports in the Canadian market—

Why was this the third consecutive year of improvement? The report goes on to give the reason as directly because of the devaluation of the dollar.

> One development that has contributed a great deal to the Canadian economy's performance in recent years has been the improvement in Canada's international competitive position. This was greatly strengthened by the decline in the foreign exchange value of the Canadian dollar in 1960-62, and as Canadian prices and costs have risen only modestly since, this advantage has been largely retained.

Certainly here is an unbiased, unpolitical, factual report on the economy of Canada which shows why our economy has remained strong for the last three years. But we must remember that all is not clear and that dangers do arise. We must maintain this position. In other words we cannot have the cost of living increasing to the point where it will eventually erode the advantages we have obtained by the devaluation of the dollar.

At page 8 the Bank of Canada report goes on to say:

> At the same time the competitive position of a number of important trading countries, notably the countries of western Europe, has been weakened by the strong upward pressure on costs and prices that they have been experiencing.

In other words, we can only retain the advantages we have received from the devaluation of the dollar if we safeguard and are ever watchful of our cost of living and see to it that costs of production do not rise too far.

Further on in the report, dealing with economic developments in Canada, it says:

> Average output per person employed in the non-farm sector of the economy increased by approximately 1 per cent, somewhat less than in 1962.

In other words there already is some slight eroding of the situation which followed devaluation of the dollar, and we must look to the budget for some efforts to stop this erosion. We have had a strong economy for three years because of the devaluation of the dollar, and particularly in 1963 because of the huge wheat sales. The Bank of Canada report makes reference to those wheat sales, saying they helped our foreign exchange position immensely and without them we would be in dire trouble.

As a matter of fact the Minister of Finance made some reference to this in his budget speech, but I can think back to the time when we initiated huge wheat sales to communist China. We were condemned from various sides of the house. The hon. member for Red Deer (Mr. Thompson), and his colleague the hon. member for Medicine Hat (Mr. Olson)—though I am not sure if he is still his colleague because that party has broken up so much—said we should not be selling to the communists. The present Prime Minister said it looked terrible, cash to our friends and credit to our enemies. That is what he said when we initiated the policy of selling wheat to communist countries.

He sneered at it, but he and his colleagues are not sneering now. It was their life saver in 1963, and they admit it. It was their life saver in foreign exchange. It was their life saver in trade. It was their life saver for the whole economy of the country. I looked for something in the budget which would indicate that they intended to add to the continuity of their own life saver. I looked for measures intended to help the western economy. There was nothing. While the Minister of Finance (Mr. Gordon) was reading his budget speech, I interjected: "Nothing for the farmers", and he replied, "Yes, they have children, too". No doubt the concessions with regard to education will benefit many people. But we were looking for something which would bring solid benefit to the economy as a whole.

I have here an article which appeared in the *Financial Post* of March 14 under the heading: "Behind the Big West Coast Grain Back-up". What is behind it? We know that because of a shortage of facilities on the west coast Canada lost the sale of 118 million bushels of wheat. I looked for something in the budget to show that the federal government was aware of this problem and that it planned to spend so many millions of dollars to improve harbour facilities out there. Again, I saw nothing to this effect. The article in the *Financial Post* of March 14 says the reason for the grain back-up on the west coast is the fact that facilities are inadequate and outmoded; they need improvement and extension and it is suggested that $20 million would do the job. Nevertheless, this government failed to recognize the ever increasing need for improved port facilities to handle the requirements of a trading nation such as ours. Hon. members opposite talk of foreign exchange; they talk about the need for trade. But they do very little about these things and the budget itself did absolutely nothing in this regard.

We heard the Liberals in western Canada spout off for years advocating the theory of free trade in this country. They said free trade was the answer to all our problems. When the former prime minister, my hon. friend from Prince Albert (Mr. Diefenbaker) told Great Britain she must honour Canada's

rights to trade with her before she entered the European common market, he was criticized and told this was not the proper attitude to take. But what about the attitude now being taken by those who sit on the treasury benches? I have here an article from the Ottawa *Journal* of March 17, 1964, which says:

> Tariff board recommendations on oilfield equipment have been worked into the customs tariff and there is an upward trend in protection for Canadian producers of machinery and parts.

Note the words "an upward trend in protection". I am not against this, but here you have a party which for years has advocated free trade. The world has grown smaller, they said, and free trade is inevitable. It would be rough on certain industries in this country, but we had to face up to competition the world over. That was what they said for so many years. However, a different tune is being played today by the Minister of Finance (Mr. Gordon) and by his colleague the Minister of Trade and Commerce (Mr. Sharp).

The former minister of agriculture the hon. member for Qu'Appelle (Mr. Hamilton) was criticized with regard to the wheat sales. He was criticized for telling farmers in western Canada a year ago to grow all the wheat they could because he had found markets for that wheat. The present Minister of Trade and Commerce has yet to advise the farmers as to the size of the market he can foresee for the future. The seeding season is not far away. I am sure many farmers wonder what they should be planting. But no advice comes from the Minister of Agriculture (Mr. Hays) probably because he does not know whether this matter comes within his jurisdiction; he is in a quandary and we in western Canada cannot blame him. The Minister of Trade and Commerce could at least come out and make his statement and let us judge how close he comes in his prediction.

We see very little in this budget. The minister told us, in his speech, about the importance of tourism and the beneficial effect of receipts from tourism on our balance of payments figures. Why has there been this improvement? It is the consequence of the devaluation of the dollar. This is the same dollar that was derided by hon. members opposite when it was introduced. They derided it and called it a Diefendollar, and so on. Today they are forced to recognize that it has been their life saver, along with huge sales of wheat. We looked in this budget for something for agriculture. We even looked at the last budget again to see whether there was something in it that we had missed. In this connection let me read a paragraph from the *Globe and Mail* of June 15 which said, about that performance:

> There are no worth-while tax cuts, no incentives to stimulate growth and employment. The budget confesses its dismal failure in this direction by forecasting a gain of only 5 per cent in the gross national product this year, compared to the 8 per cent achieved last year by the much despised Conservatives.

We wondered what the minister would predict for this year. He said it was 5 per cent last year because of the heavy grain crops in western Canada. He said there would turn out to be an increase in the gross national product of nearly 6 per cent in 1963 because of fortunate growing conditions in western Canada. Well, in 1962 there was an increase of 8 per cent. In 1963 it was close to 6 per cent. And in 1964, the hon. gentleman says, it should be 5 per cent. Are we not moving in the wrong direction? Eight, six, five—where are we going? Is it to be four, three, two, and one by 1970? I maintain we must look forward to the future with greater optimism than this. We must bring about conditions which will create a greater growth in our gross national product than appears likely from the sliding scale which is set before us today.

We had been curious about the present budget. Well, it came, and the newspapers wrote it up. I have some comments here from one of them, the Ottawa *Journal*, under the headings "Little to Cheer (or Jeer) About", "Students Take the Plums", and so on. It is true there were noteworthy measures for the benefit of students and I was pleased to see them. I was glad to see that eligibility for family allowances is to be extended. But these are small matters compared with the over-all economy of the country. There was very little, if anything, in the budget for labour. There was nothing in the budget for the average businessman, nothing for the farmer. This was a dismal budget, to say the least.

We had heard a great deal about defence costs. We had heard that the minister of defence was slashing this and slashing that in an effort to pare down defence spending. Yet there turned out to be an increase in this department. Then we were told that the paring down of defence costs had yet to come. I notice, however, that it is planned to buy 16 Hercules transport planes made in the United States. We are also buying personnel carriers all of which have been manufactured in the United States. How will measures such as these strengthen our economy? We are told, of course, that defence sharing arrangements will be worked out later. But how can they be worked out when we are paring costs all round? It is the intention to build a highly mobile force, and I am in

agreement with that proposition. But I am also here to watch over the development of our country as a whole, and the field of defence production has been one of the vital areas in which a government can act. It is true the previous government bought planes from the United States, but we had aircraft manufactured in Canada, too. Certainly this will add nothing to the economy of this country.

We looked for tax cuts in building, and we saw none. The minister said these cuts were not needed, that building had gone on anyway. Well, if we had not had the large grain sales, and if there had not been such large grain crops, our gross national product would have probably increased by less than 5 per cent.

An hon. Member: Much less than 5 per cent.

Mr. Horner (Acadia): Yes, much less than 5 per cent. So when you look at it in its true light, without the bountiful crops that western Canada enjoyed last year our increase in gross national product would have been quite a bit less than 5 per cent. Therefore can one truthfully say that the building tax is here to stay and should be here to stay? I do not think so; it should not be here. Yet my Liberal friends over there say, "Oh, this is a tremendous budget; we are cutting the deficit by one third". It is easy to cut a deficit by one third if you increase taxes by the same amount, and this is what they have done, with the building tax. They will receive nearly $200 million more each year, and this is what they are predicting will be the cut in the deficit. I use the word "predicting" because we are well aware of the fact that supplementary estimates are presented to parliament and budget predictions are often somewhat out. The minister—

Mr. Winkler: Tricky bookkeeping.

Mr. Horner (Acadia): —has no record of performance that enables him to boast about budget predictions. He was certainly out a great deal a year ago, and I see no reason to believe that he will not be out this year. Last year's budget tried to bring in many changes. Most of them were retreated from throughout the month following the bringing down of the budget. In this budget we see further retreat with regard to the withholding tax; the minister is not going to implement the increase in this tax. Certainly one can only take from this that American pressures have been brought to bear and the minister has now seen the light in the American way and has decided not to bring about the further increase in the withholding tax.

Certainly if we are to continue to compete with the United States, we must bring our taxes into line with theirs. We see that the United States are lowering income tax, but we see an increase in this country. I would have liked to see some incentives to industry in the budget, something to maintain the cost of living, instead of causing an increase in the cost of living as the building tax has done. There should have been included in the budget something to ensure that we will continue to receive value for our dollar.

Some time ago there was a great deal of talk about federal co-operativism. What does it mean? We have seen an early budget brought down to place clearly on record what the federal government wants to do before the federal-provincial conference meets. Is this a new style of federal co-operativism? Certainly the provinces will not agree with it, and we can hardly blame them. We see the Prime Minister (Mr. Pearson) today saying, "Oh, just give us time. We will do this before Easter; we will do that before Easter". No one asked for the budget to be brought down before Easter. The pension plan could have been brought in; we could have had a six-day debate on it and passed it before Easter, if the Prime Minister had withheld the budget until after Easter. There was nothing in the budget which made it necessary to bring it down before Easter. We could have had the question of agriculture debated fully before Easter in these six days. We could have debated who is responsible, who is not responsible and who should be responsible for the various sections of that very important department. We heard some talk about two ministers being appointed. Instead of appointing two ministers, they have decided to take all the authority away from the one they did appoint.

Mr. Macaluso: You had better read the papers before you talk like that.

Mr. Horner (Acadia): I hear some quips from over there, Mr. Speaker. Apparently the backbenchers of the Liberal party are not aware of the fact that for 17 days we did not have a Minister of Agriculture.

Some hon. Members: Shame.

Mr. Horner (Acadia): This is a great shame, in a country that was founded on agriculture, which is still the basic industry of the country.

Some hon. Members: Hear, hear.

Mr. Horner (Acadia): It certainly showed very little consideration on the part of the Prime Minister or the Minister of Finance (Mr. Gordon) for the very basic industry that bailed them out this year with regard to

foreign exchange. They took away the minister of this department, and certainly showed very little regard and respect for that prominent department. We on this side of the house wonder who is responsible today for the various sections of the department; who is responsible for ARDA, which certainly can play such a prominent part in my constituency in the years ahead.

An hon. Member: It might be the Minister of National Health and Welfare (Miss LaMarsh).

Mr. Horner (Acadia): It might well be. Who is responsible for farm credit? We brought in the Farm Credit Corporation. We transferred the old farm loan board, which used to be under the minister of finance, and to make it workable put it under the Department of Agriculture. Now where is it going; or should I say, where has it gone? No one knows for sure. We wonder about the stabilization board. We wonder about the eastern feed grain board.

An hon. Member: Auctioned off.

Mr. Horner (Acadia): Are they being auctioned off, and is Harry the highest bidder? That is the question. I would like to see the Minister of Agriculture (Mr. Hays) back in the house at the earliest possible date, because I know that if he needs any help in his bidding there are many members here from western Canada who are prepared to bid briskly on many of these branches of the department.

Mr. Speaker, one could speak on many subjects in this budget debate. One could go on for some time about agriculture. However, I do not think there is really anything to be gained until we know who is responsible for this department or whether the Liberals have thrown it out altogether. I have outlined some of my fears with regard to the budget. While it may not have been ill-conceived by experts, it was certainly conceived by no one and was brought in in haste for no good cause.

[*Translation*]

Mr. Real Caouette (Villeneuve): Mr. Speaker, before going any further, I should like to introduce the following amendment to the amendment:

I move, seconded by the hon. member for Compton-Frontenac (Mr. Latulippe):

That all the words in the amendment after "any effective action to" be deleted and replaced by: "reduce the national defence budget, so that family allowances could be adjusted to the cost of living index."

You will note that we have been insisting strongly, since the beginning of this session, on such an adjustment of family allowances to the cost of living index. Indeed if the Minister of Finance (Mr. Gordon) is able to require of the Canadian people that they pay $1 billion 35 million interest on the national debt alone for the service of the debt, we consider that the same amount, without the creation of any more money in Canada, would enable him to raise family allowances to $22 for each Canadian child.

I have no intention of repeating the remarks made by the spokesmen of other political parties during this debate. As did the Minister of Finance, they all remained true to the most orthodox principles. No one dared to get away from the beaten track of a system poisonous to all Canadians and which deprives them of a sounder economic life.

Personally, I intend to stray off the beaten path and refrain from repeating those hollow formulas handed to us each year with the white paper on the economic health of this country and the budget set down by the government.

We, of the Ralliement Creditistes, for instance, disagree completely with the Minister of Finance. As a matter of fact, we do not accept one of the first comments he made in his budget speech when he defined what he called the first goal of the Canadian government:

[*Text*]

Our first goal is high level employment, the highest we can expect to reach and maintain;

[*Translation*]

We, of the Ralliement Creditistes, feel that that should not be the first objective of the federal government.

We believe that the chief aim of economic activity should not be to provide jobs but to meet consumer needs.

This is what Jean Daujat, a great French sociologist wrote in his book "Reponses chretiennes a des problemes d'aujourd'hui":

The purpose of economic activity is not to provide jobs but to ensure the welfare of the family and of its members, that is the welfare of consumers.

After the economist manner, we would say with Rev. Father Georges-Henri Levesque, former director of the social science faculty at Laval University, in Quebec city:

Economic activities are intended for the benefit of all consumers. Consumers first and foremost. Such should be the principle of any social and truly human policy.

In 1960, the assembly of the United churches of Scotland asked a group of economists, theologians and sociologists to make a survey of the present financial structure in relation to Christian doctrine.

The committee report was made public in 1962 after being presented to the general

assembly of the United churches in Dundee, Scotland, on May 10, 1962. Later on, it was published under the title "Money, a Christian View", with a foreword by Right Rev. George F. MacLeod, former moderator of the general assembly of the Church of Scotland.

Unanimously, the authors of the report stated on page 11:

[*Text*]

There has grown the idea that any employment is better than none and that the primary object of an economic system is to provide employment. We believe that the object of production is consumption and that while human employment is generally a necessary part of the process directed to this end it must not take precedence over it. From a Christian point of view it is wrong that a man must be employed on work that can be done by a machine—

—as we see today right across Canada.

[*Translation*]

Is the government the least concerned about the consumers' interests? Is the government taking steps to assure the distribution of goods produced to all consumers so as to give them a fair subsistence and decent living conditions? Is the government taking the means to remove financial obstacles that prevent the goods and services produced by Canadians from fully meeting the needs of Canadian consumers?

We must answer in the negative to all these questions.

But why? Why are Canadian consumers, Canadian families deprived of goods and services made available by our natural resources, our industries and workers and displayed in our stores, groceries and warehouses? Why are hundreds of industries and factories operating at reduced capacity or closed? Why are there in Canada at the present time—March 1, 1964—487,000 unemployed, 487,000 minds, 974,000 unemployed arms when thousands and thousands of families are undernourished, ill-clothed and ill-housed?

The answer is simply that the Canadian consumers do not have enough money to buy, at current prices, the goods and services which are offered them.

In a sensational book published in the middle of the depression, that is in 1934, by the Brookings Institute of the United States, Mr. Harold G. Moulton, who was one of President Roosevelt's economic advisers, wrote after an analysis of the economic situation:

—unsatisfied desires of American consumers are at the present time great enough to absorb a production higher than that of 1929. Taking into consideration the necessaries of life of the great mass of the people, innumerable needs remain unsatisfied. The problem is not one of lack of desire, but of lack of buying power.

[*Text*]

The trouble is clearly not a lack of desire but a lack of purchasing power.

[*Translation*]

Moulton wrote in his book "America's Capacity to Consume" can be found in the library of parliament, for those who would like to refer to it.

A few years later, that is in 1939, an outstanding British industrialist, director of Vickers for 22 years, director of the London Insurance Company and governor of the Bank of England for nine years, wrote the following on page 50 of a book entitled "Economic Tribulation" which can also be found in the library of parliament.

[*Text*]

If the producers are waiting to produce more, if ships are waiting to carry the goods, if there are railway and transport services wheresoever there is a demand for them, then the fault must lie with the consumer. Why does he hold back the trade and commerce and progress of the world and prevent the consummation of a lasting peace by deliberately refusing to avail himself of the good things the world can offer him?

The answer is obvious. The consumer cannot afford to buy more; he has not enough money. Let us discard all biased opinions and we shall find it possible only to arrive at one decision—that the health and welfare of the individual, the happiness of the community, the contentment of the nation and the peace of the world are mainly, if not entirely, a monetary problem.

[*Translation*]

After those findings by the group of economists of the Brookings institute, by Vincent Cartwright Vickers who was governor of the Bank of England, let us see now what the economists, theologians and sociologists of the churches of Scotland, which I quoted a moment ago, think of this situation. On page 40 of their report, they come to the same conclusions as the Social Crediters—the same conclusions as the Social Crediters, Mr. Speaker—namely, that there is a deficit in purchasing power. Here is how they say it:

[*Text*]

The present system does not provide any mechanism by which the supply of purchasing power is automatically geared to the volume of real wealth produced. The classical theory that when goods outrun purchasing power prices will automatically fall to the proper level is bound to break down under present conditions, since the lower level of prices is determined by costs and total costs are determined by the volume of credit issued for production, which must be repaid out of prices.

The principal argument between the orthodox and the unorthodox economists appears to revolve around this point. In the view of the first, the monetary system is merely a reflection of the physical economic system, and there is no question in normal circumstances of purchasing power being in short supply. Such discrepancies as arise are the result of temporary fluctuations that are, or can be, quickly corrected. The monetary reformers for the most part maintain that there

is a "built-in" flaw in the present system of bank credit accounting that results in a permanent shortage of purchasing power in relation to the total prices of goods offered for sale.

[*Translation*]

Not only does the report acknowledge the lack of purchasing power, it gives the reasons therefor.

I should like to quote what the authors had to say on page 29 of the same book, after the study they made of the operation of the banking system and of the creation of credit by the banks:

[*Text*]

We cannot see any moral justification for the levying of interest on a bank loan which is, as all the experts now agree, "created out of nothing". When a bank "creates" credit in this way, neither it nor any of its customers surrenders title or claim to goods and services, nor do they abstain from "present consumption". Moreover, the addition of interest to the original bank loans, when these loans are the sole source of purchasing power, is a clear cause of purchasing power shortage. Whether or not then the function of "creating credit", that is, of issuing money, reverts in its entirety to the state, as recommended in the preceding paragraph, there cannot be any justification for the levying of a charge for this service beyond a sum sufficient to cover clerical and other costs.

[*Translation*]

Mr. Speaker, is it simply a question of theories based on Christian requirements or do these findings also take into account economic and banking data?

If you are in doubt, Mr. Speaker, may I quote the testimony of a French Canadian economist, Dr. Rosario Cousineau, director of the commerce department at the University of Sherbrooke, who stated in 1959 before the convention of the chamber of commerce of the province of Quebec, concerning the power entrusted with the chartered banks to create credit, the following, and I quote:

Without intending to take part in the controversy as to whether or not the banks create money, we can state that they create credit, that they multiply their deposits—and their equity—by 10 or 15. Provided they find creditworthy borrowers, they multiply their loans and create credit to the full extent that their loans exceed the total of their deposits and equity.

The title of this study by Dr. Cousineau was "Inflation", the very thing the monetary system itself implies, inflation, about which Grits and Tories, as well as my good friend from St. Jean-Iberville-Napierville (Mr. Dupuis), are so much afraid when they speak of Social Credit.

Do you want other proofs of what Social Crediters have been claiming and shouting throughout Canada for a number of years? I could give you hundreds of statements concerning the theory of the creation of credit in the banks. Let me mention, as a reminder to the hon. members of the house, just this book by Harold G. Moulton, economic adviser to President Roosevelt, who explains from pages 77 to 90 of his book entitled "The Formation of Capital", which is found in the library of parliament, how commercial banks make credit.

He shows, in clearly written pages I would not hesitate to claim as my own, how chartered banks, with an authorized capital of $1 million, are able to loan, even if they do not net any deposit, $100 million.

With a mere stroke of the pen, banks create the credit that they lend afterwards at interest, requiring repayment of capital which they never issue plus interest, so that there is a constant and ever increasing deficit in the purchasing power. That is the cause of our national debt of $1.37 billion, in addition to the loans that have to be made in order to hide the coming deficit.

Mr. Speaker, the consequences of such a financial system under which credit is first created by banks and then lent at interest, are obvious and have been proved. One has only to consider the gradual indebtedness of all governments, the indebtedness of corporations and of individuals, and the great number of commercial bankruptcies.

Such a system leads to the degradation of the individual, to the absolute control of the country and its economy by a small group of financiers and to personal wealth at the expense of the majority of Canadians.

It was not without reason that Pius XI stated:

Those who control the economic life blood of the country have become the masters of our lives and without their permission no one has the right to breathe.

Without the permission of those who control the economic life blood of the country, the Minister of Finance is unable to breathe and the federal government cannot breathe either because those people control the economic and political life of the country, indeed all forms of activity in Canada.

At the present time—

Mr. Deputy Speaker: Order. May I interrupt the hon. member, as he has indicated a moment ago that he intended to move an amendment.

I suppose he relies upon paragraph 7 of standing order 58 of the house, which grants 40 minutes, that is 10 additional minutes to the mover of a subamendment. Unfortunately, under the terms of standing order 45, the hon. member cannot move a subamendment.

Perhaps I could read standing order 45:

Only one amendment and one subamendment may be made to a motion for Mr. Speaker to leave the chair for the house to go into committee of supply or ways and means.

As we already have an amendment and a subamendment before us, he cannot submit another subamendment. I might have waited for the hon. member to finish his remarks after 30 minutes, to remind him of the fact, but I thought he would prefer me to point it out immediately, so he might pursue his comments while keeping the provisions of standing order 45 in mind.

Mr. Caouette: Mr. Speaker, I would, nevertheless appeal to your generosity for granting me the three minutes you just took away in order to inform me of the procedure to be followed. I shall naturally comply with the standing orders.

At this time, Mr. Speaker, I would, if I had the time, prove to you, on the basis of statistics, that each Canadian citizen's debt in regard to the federal debt, to the provincial debt, and to the liabilities of schools and individuals, amounts to more than $3,000, and that this debt goes on increasing from year to year because of a banking system which wants all money in circulation to represent a liability for Canadian citizens.

In table 11, which is on page 27 of the white paper tabled by the Minister of Finance, we see that, for the last four years, the service of the public debt cost Canadians $5,849 million, which is more than five times the total budget of the state of Quebec.

Under the present system, everybody gets into debt. These are among others, the headlines we read practically every day in the press, in the Toronto as well as the Montreal and Winnipeg papers:

> Bankruptcy here, and another bankruptcy there ...The schoolboards are on the verge of disaster if their finances are not put on a sounder basis... Some municipalities are depressed, economically and financially...They can no longer balance their budgets.

They can no longer make both ends meet, even in Ottawa and in the provinces.

Why is there so much discontent, so much dissatisfaction? Because, due to expenses that must be incurred, the budget cannot be balanced not because physical possibilities are lacking, but because credit is totally wanting. Mr. Speaker, who profits from the present financial system? Who gets rich when governments, municipalities, school boards and individuals constantly get into debt?

Those who get rich are the bankers. The proof is to be found in the March 11, 1964 edition of the newspaper *La Presse*, in an article signed Laurent Lauzier, under the title:

> The financiers put down their stakes.

This was written not long ago, to wit, on March 11.

The article closes with these words:

> When the financial community thus gets into action, it is because it feels the imperative need to fashion the new frameworks which are in the offing in order to safeguard or to extend its field of action.

And yet, when those financiers want the passage of bills, we agree. Or perhaps the government will ask us to grant bank charters to new organizations, in order to allow even a greater number of financiers to exploit the Canadian people.

For instance, at present, bank charters are being asked and pressure is being exerted on parliament for the passage of legislation to allow the establishment of new chartered banks in the country.

[*Text*]

> The most significant seems to be the possibility of a revision of the Bank Act which would enhance the profitability of banking.

[*Translation*]

They do not make enough profit; they want more.

Mr. Speaker, where is this financial system leading us? Where is the remedy to this situation?

For almost 35 years we have been preaching Social Credit which has been pointing to the solution for a long time. Today other people come to the same conclusions as Social Crediters. I should like to quote once again the excellent report of economist-theologians who say that without a monetary reform, it is impossible to believe in the economic, political and financial liberation of a country or a province.

That leads me to discuss what is happening nowadays in the province of Quebec. Last Friday afternoon, I heard the hon. member for Berthier-Maskinonge-Delanaudiere (Mr. Paul) speak about separatists and insinuate that I did not speak the same language in the English speaking provinces as in the French speaking province.

For the information of the hon. member for Berthier-Maskinonge-Delanaudiere, I get more invitations from English speaking provinces that he ever received in his whole life. I meet students in English speaking universities and what I tell them, I shall repeat it here, in this parliament, this afternoon. I say the same thing in Quebec, in Ontario and in western Canada. If we are complaining in Quebec that the province is 25, 20 or 15 years behind the other provinces, as regards economic development, it is not the fault of the English speaking people in Toronto or Winnipeg.

It is because of French Canadians from the province of Quebec the Napoleonic code, while people with no guts instead of sending aggressive people to defend their interests.

I say the same thing in the riding of the hon. member for Berthier-Maskinonge-Delanaudiere when I go there, and I went a week ago.

Nobody will have me believe that if the province of Quebec did not develop, it is because of other Canadian people of different origins. I never asserted that.

But I know that in the province of Quebec it is possible to proceed by ourselves to our development.

At this time, we hear more and more of the reformation of the constitution, and we are asked by English Canadians from Ontario as well as from western Canada: But what do you want in the province of Quebec to leave us alone so that we will no longer hear about separatism, independence, etc.?

Mr. Speaker, in 1867, when the constitution was written, both elements in Canada were represented; for instance, education was separated, leaving to the province of Quebec its own education system, the civil code was also separated—and we will keep in the province of Quebec the Napoleonic code, while there is something else in Ontario—lines of separation were established at that time and differences were made between the two major ethnic groups in Canada.

What do we want in 1967? The assimilation of other provinces to Quebec? No, Mr. Speaker, I would be the first one to object to the assimilation of any province to the province of Quebec.

We want, when the new Canadian constitution is amended, that some other factors should be considered which will enable the province of Quebec, as well as the other provinces, to expand in a normal way. It is for that reason that we believe and urge that the new constitution should allow the provinces, and the province of Quebec as far as we are concerned:

1. Credit control. Once we control our credit, it will not rest with the federal Minister of Finance to tax us as he is compelled to do at present to pay tribute to a financial system and to those who control the economic blood of the nation. We, therefore, want control over our credit in the province of Quebec. If the province of Ontario wants the same thing, she should have it. Credit must be decentralized and enable us to develop our province according to its physical possibilities.

2. Immigration control. We want to know who is going to come and live with us; Ontario should have the same control and so should the other provinces.

3. Control of our exports, that is of the goods that are exported to the United States and elsewhere in the world, and also control of our imports.

[*Text*]

An hon. Member: Each province.

Mr. Caouette: Each province, naturally.

[*Translation*]

Fourth, to return to provinces the fiscal and direct taxation powers granted us under the constitution in 1867. What is the government waiting for to return taxation and fiscal powers to the provinces?

Mr. Speaker, those are the four points we are submitting. We suggest that hon. members look them over, study and discuss them. We are not trying to relieve Ontario, Saskatchewan, Manitoba, Alberta or the maritime provinces of their responsibilities. On the other hand, let Quebec administer its own affairs as it sees fit. And we feel the same way about the other provinces.

Mr. Speaker, I notice that it is five o'clock.

[*Text*]

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

DOMINION-PROVINCIAL RELATIONS

SUGGESTED ESTABLISHMENT OF SECRETARIAT

Mr. Heward Grafftey (Brome-Missisquoi) moved:

That in the opinion of this house the government should consider the advisability of the immediate establishment of a secretariat for federal-provincial relations or a similar institution.

[*Translation*]

He said: Mr. Speaker, if I recommend today the immediate establishment of a secretariat or of a body of that kind, to improve federal-provincial relations, it is not to revive the classical debate on centralization as opposed, for instance, to provincial autonomy. Everyone recognizes, I think that under our constitution we must have strong governments at the federal, provincial and municipal levels, and that each of them must discharge its own responsibilities.

We recognize today that the spirit of cooperative federalism requires a high degree of consultation with the provinces. It is thus nowadays, as far as the techniques of modern governments are concerned, which imply a notion of planning. In a federal state, without close and continuous consultation, there is bound to be chaos. For the federal government to have the courtesy to resort to consultation in matters directly or indirectly affecting provincial jurisdiction does not imply any idea of retreat or abdication of responsibilities on its part.

I recognize the fact that the Prime Minister has set up some sort of mechanism within the privy council to deal with such matters and that he himself is now personally responsible to parliament for those questions.

I am absolutely convinced that the preparation of federal-provincial conferences, especially in the taxation field, is marked by a lack of co-operation and consultation.

The government should immediately study the ARDA procedure and the findings made in the field of resources. It remains to be seen whether such an organization or secretariat should be general in its nature and should include all questions directly or indirectly involving both levels of government or whether, at the outset, secretariats should be established on a departmental basis.

It is urgently necessary to emphasize consultation on a continuous and co-ordinated basis. The establishment of such an organization or secretariat will not be conducive to the breaking up of our country. But it will contribute to strengthen the ties of confederation.

Obviously, I do not want to exaggerate, it will not solve all problems in this field, but I firmly believe that it will be a practical and fruitful initiative of such a nature as to strengthen unity in diversity.

[*Text*]

Mr. Speaker, before closing my remarks this afternoon may I say I recognize it would be inappropriate at this stage to go into too much detail relating to the establishment of a secretariat or other body for federal-provincial relations, but at the same time I would like to offer a few suggestions, which I hope will be practical, relating to the establishment of such a body.

Many of us know after confederation came into being in 1867, Sir John A. Macdonald actually appointed a secretary of state for federal-provincial affairs. He, at that time, recognized the real necessity to strengthen the bonds of national unity and the bonds, so to speak, of confederation. I believe that necessity exists once more today.

Far too many people are making what I term negative declarations concerning the state of our national unity and the state of our confederation. For a number of years I have discussed, both inside and outside this house, the matter of the establishment of this secretariat or a similar body. I know there is a need today for this approach, and I hope it will constitute a practical step forward in unifying our country. For that reason, Mr. Speaker, I hope my resolution and the subject matter contained therein will meet with the general approval of all members of the house.

I note with a great deal of pleasure that when meeting in Ottawa with the premiers of the provinces a few weeks ago, the Prime Minister expressed general agreement on the subject matter of the resolution I have introduced. I note too with equal pleasure that many of the provincial premiers also expressed general agreement with the terms of this resolution.

As I have already stated, we have had great and useful experience in the secretariat having to do with federal-provincial relations in the resources field. Most members of the house and most of the people of Canada were very interested recently when the Prime Minister established a body of personnel in the privy council offices for federal-provincial affairs. The Prime Minister recognizes the basic, great importance of this subject in that he answers to this house on questions put to him regarding problems existing between Ottawa and the provinces.

Even though I shall now be going into a certain amount of detail, I should like to mention that there was general agreement at the last federal-provincial conference, between the Prime Minister and the provincial premiers, that the time has come to establish a secretariat on the prime minister and premiers level. The Prime Minister and the provincial premiers could form a prime minister and premiers council for federal-provincial relations, and a secretariat could then be formed, similar to the one in the resources field, which would report its findings to the council composed of the Prime Minister and premiers.

The council and secretariat would, of course, be keynoted by a high degree of co-operation and continuous consultation. At the same time, even if such a secretariat were established, we would still have to encourage an increased degree of continuous consultation on a departmental or, if you will, ministerial level. The council of the Prime Minister and premiers, and the secretariat, would cover the general field of federal-provincial relations, and they would have an important co-ordinating function based on continuous consultation. The Prime Minister (Mr. Pearson) with his experience in international affairs recognizes that if one enters upon international conferences without adequate preparation, the results are often likely to be disappointing. We have seen this happen often when disarmament has been the subject of such conferences. If such discussions are to have the best chance of success, a great deal of work must be done beforehand in connection with the details of the subject matter; there must be consultation beforehand with those concerned. In other words,

there is a good deal of homework to be done. The same notion should be the keynote of federal-provincial relations—this idea of continuous and co-ordinated consultation.

In carrying out the recommendations and suggestions that I have put before the house today, a minimum of personnel would be desirable and a minimum of personnel would be required. No empire building is contemplated. No superbody would be established which might possibly lead to an invasion of federal or provincial authority either at the legislative or at the administrative level.

I do hope, Mr. Speaker, that these suggestions will commend themselves to all hon. members and that they will prove useful. Alluding to what I have already said, may I express the hope that they will have a practical and positive unifying effect in our country today, at a time when too many people are making what I consider to be negative, destructive declarations. For this reason I hope that the resolution and the subject matter contained therein will meet with the approval of all hon. members in each and every party, and that the motion will be adopted this afternoon.

[*Translation*]

Mr. Jean-Charles Cantin (Quebec South): Mr. Speaker, I should like first of all to congratulate the hon. member for Brome-Missisquoi (Mr. Grafftey) on the very interesting remarks he just made. I think that the setting up of such an organization is an accomplished fact, even though it does not appear in the statutes, because the hon. member must recognize, in all fairness, that the present government has perhaps held more consultations with the provinces than was ever the case in the past.

As a matter of fact, there has been consultation at the level of various departments, including the departments of labour, fisheries, agriculture, natural resources, public works, highways, industry and secretary of state.

In addition, there were numerous conferences—more than usual—at the premiers' provincial level. I believe that in this field, this government has set an example. And as we know that in our parliamentary system, such a procedure is a prerequisite to the setting up of organizations, I believe that we are proceeding at present in the right direction.

But, in due time, we have to give a definite framework to an institution which becomes necessary, from both sides, not as a means of centralization but, mainly I think, as a means of decentralization and of better understanding among the provinces. That is the reason why I felt I could today mention how important such a body would be as far as decentralization is concerned, taking as an example one of the crown corporations.

I refer to the national film board which, under the direction of its present chairman, Mr. Guy Roberge, who is an intelligent and well-informed man, performs an outstanding job in the field of interprovincial relations and that of relations between Canadians.

Knowing the influence of cinema on education, it is very important that we should consider creating such agencies for the benefit of all provinces.

It is a well-known fact that there is a close relationship between cinema and culture and that film societies attract many students because they give them the opportunity to see significant international as well as national productions.

The role of the national film board is primarily to give a true reflection of Canada. For the board to play that role in accordance with the constitutional rights granted to each province, it would be appropriate in my opinion to set up an agency such as the one proposed by the hon. member for Brome-Missisquoi since the national film board reflects the bicultural character of Canada in two respects, that is in the films it produces and in their distribution.

At the production level, the board has organized itself in such a way that its teams give an account of all forms of activity in Canada, and of the progress realized by our country concerning all aspects of the culture and particular problems of each major ethnical group, without forgetting the more recent contributions made to the Canadian mosaic. Production is divided into two branches. The French language division is under Mr. Pierre Juneau and the English language division comes under Mr. Grant McLean.

As far as the national film board's French production is concerned, one has but to glance at the films produced during the last year or two to find out that such a production endeavours to give a picture of all aspects of life in French Canada. The following is a list of some recent examples:

The film entitled "Les petits arpents", which is a half hour short on the need for farm redevelopment—

Mr. Deputy Speaker: Order. I must tell the hon. member that I have been listening with great interest for the last minutes to the comments he has been making. Nevertheless, he should perhaps try to link his observations concerning the national film board to the motion that is now before us.

Mr. Pigeon: Mr. Speaker, will the hon. member allow a question?

Mr. Cantin: Yes, Mr. Speaker.

Mr. Pigeon: Mr. Speaker, we on this side of the house are prepared to let the hon. member speak on the national film board on the condition that, in the near future, he will suggest, following the establishment of a federal-provincial relations secretariat, and on the first meeting, that the national film board produce a film on the members of the house during a regular sitting.

Mr. Cantin: Mr. Speaker, I humbly submit that it was suitable that I should take the national film board as an example. It is indirectly concerned with education which is primarily a matter under the jurisdiction of the provinces, and it is well known that there are some organizations today that put pressure on governments at all levels.

As a matter of fact, this morning's *Le Devoir* reported that film producers are requesting the Quebec government to help in the production of full length features by using revenue from the amusement tax.

We also know that such needs exist at the federal level, and I think that through an organization like that one, it would be possible to reach some agreement, and to promote better understanding. And it was to set out the relationship between the national film board, in particular, and a body like the one suggested, that I pointed out the work accomplished by the national film board.

Mr. Speaker, I may have described its activities too fully, but it was only the better to prove my argument, which is that the creation of such an organization will become more and more necessary.

This is why I mentioned the titles of a few films, among others "Paul-Emile Borduas", concerning the life and work of that famous painter; the "Lumberjacks of Manouane"—

Mr. Pigeon: Mr. Speaker, I rise on a point of order. We, on this side of the house, are prepared to allow any necessary latitude to the hon. member, but if we are going to talk about culture and discuss films and lumbermen—

Mr. Deputy Speaker: I agree with the hon. member for Joliette, for I myself interrupted the hon. member for Quebec South (Mr. Cantin) a few minutes ago. Therefore, I would again ask the hon. member to connect his remarks to the motion under consideration.

Mr. Cantin: Mr. Speaker, I was simply outlining the important work being accomplished by the national film board, from the point of view of relations among the various provinces as well as among the various cultures in this country.

As suggested by the hon. member for Brome-Missisquoi, this body should not be operated for centralization, and that is why I believe the government should have a little time before creating this body or defining its duties. In my opinion, we should establish a very flexible body, the role of which would be, not to centralize, but to decentralize and to ensure, between the various provinces and the central government, better co-operation and better understanding.

[*Text*]

Mr. R. N. Thompson (Red Deer): Mr. Speaker, the topic of this motion is one that has been of much interest and concern to those in this party and to me personally. On two occasions in previous sessions I have introduced a motion to set up a permanent, full scale ministerial department of government to deal with the matter of federal-provincial affairs. I appreciate the resolution that is now before us, introduced by the hon. member for Brome-Missisquoi (Mr. Grafftey). I appreciate, also, the non-partisan way in which the hon. member spoke. It is with a good deal of pleasure that we give our support to this motion. I do believe it would be more constructive if members of the government would be just a little more positive in their remarks regarding the motion and would say whether they are for or against it.

I have just been checking over some of the remarks made last year with regard to this subject, and I think it might be well if we were to refresh our memories on certain aspects of it which the hon. member for Brome-Missisquoi did not really bring out in his remarks. Confederation was a coming together of the provinces. We have heard a great deal about co-operative federalism. I think one of the reasons we have as many problems as we do today in Canada is simply that we have not lived up to the spirit of the original confederation. What is needed today —while we do give credit for as much co-operative federalism as has been indicated by the government—is a greater degree of co-operative federalism based upon the concept of confederation of 100 years ago. Basically this original concept of confederation was an agreement among the provinces to form a nation, Canada. There was to be a federal form of government. Canada was to be a nation that not only maintained its independence as far as its relationships with the United States were concerned, but also with the mother country, and other colonial countries across the sea. I think that if our federal administration could establish a greater degree

of co-operation in those various fields which overlap between provincial and federal responsibility, and if there could be a greater amount of co-ordination, we would really have a greater sense of unity and national spirit in Canada.

It is true that provincial governments lead the way in this particular field. A number of provincial governments have actually set up departments to deal with federal-provincial affairs. I believe, as the record will show, they have found these departments to be very useful. This does not only apply in the field of resources but it applies in regard to one of the most critical problems that we face today as far as federal-provincial relations are concerned. I refer to the field of taxation. Certainly many of the fiscal problems that we have today would not be there if we had a greater degree of understanding relating to the shared cost programs which have developed in recent years.

Another aspect of our national development that is very important at the present time is a national highways program. We will never have the national highways program that this country needs unless it is done on the basis of co-ordinated understanding and co-operation with the provinces. The same problem exists with regard to education and health. We maintain that education and health are basic responsibilities of the provinces; yet there are fields within education and health which just cannot be divided into as many compartments as we have provinces. The basic problem which faces all educational departments in the different provinces relates to the question of money and the co-ordination of programs which affect the entire nation. Therefore it is my opinion, as I have thought over the establishment of such an organization on the federal scene, that probably the first step toward a full scale ministerial department of government would be the setting up of a secretariat such as is now being suggested.

It is on this basis that we give our full support to the motion before us. We trust that the government members who are yet to speak will consider this matter in the light of the tremendous importance of the topic with which we are now dealing. It seems to me that such a secretariat would not only eliminate many of the problems which face the government at this time, but it would also prepare and pave the way for a better understanding with regard to some of the problems which are not yet at the critical stage. Still other problems can be anticipated, and certainly there would be a greater sense of national spirit and unity than we have at the present time if the subject matter of this motion were put into effect.

[Mr. Thompson.]

I do not wish to deal with this subject at any great length, Mr. Speaker, but I believe that we as members of this house, being representative of all the provinces and a cross section of political thought in this country, have as one of our most urgent responsibilities to think of and be concerned with the problem of national unity. I do not think there is any other single way through which we can develop the national unity which I believe all of us would like to see in our country, as far as government is concerned, than by the setting up of such a secretariat as is proposed. Therefore we give our support to this measure. I would urge that all hon. members take a positive attitude, not just to the motion before the house but to the whole related question of national unity in our country, thus facilitating in a tremendous way the growth of our country by working together in a more efficient and effective manner.

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I just want to put on record the support of our party for the intent of this motion, and we would be glad to have the opportunity of voting for it if a vote were called. The subject opens up a great many areas into which one can go. It has always been my observation that as a preliminary to a secretariat we require a much stronger prime minister's office than we have at the present time. I am not talking about the incumbent but about the office as such, although one could make some comments about the incumbent too. But as I see it, the previous prime minister had, and the present Prime Minister (Mr. Pearson) has, an inadequate staff to deal with many of its relationships. It also seems to me that the prime minister's office is not only the power centre of our form of government at the present time, but it is particularly so where provincial relationships are concerned.

I do not think one could really consider a secretariat in detail without considering how it would be centred in the prime minister's office. I am also of the opinion that the privy council and its present staff should fight for its tie-in with the cabinet in ministerial meetings; but again the staff is inadequate to support the office of the prime minister. On this point, I think that anyone who wanted to find someone who could speak in French on policy in the prime minister's office at the present time would go very short. That is just one indication of how stripped is the office of the prime minister, or how barren it is at the present time; there is not one press officer who can speak in the French language and would be the opposite number of Mr. O'Hagan. I mention that as an example of the fact that

the staff of the main power centre of the administration at the present time, certainly as regards relationships with the provinces, is hopelessly inadequate; and it seems to me that any development of a secretariat at the federal level to deal with federal-provincial relations should be centred around and in the prime minister's office.

Another factor here, one which we would welcome, is that it would enable us to come much more to grips with the way that a prime minister is able to handle his responsibility to the House of Commons in respect of relationships with the provinces, where his authority at the present time seems to me to be blurred by the role of cabinet ministers and the fact that we have cabinet solidarity and secrecy. I think the reality of power at the present time is that we should see it focused more strongly in the prime minister's office and should have an opportunity to see it displayed in front of us so that we could analyse it, comment upon it and make demands upon it. I do not think we have that at the present time, and this proposal of the hon. member for Brome-Missisquoi (Mr. Grafftey) would go some way toward opening up this kind of development.

Therefore we should like to go on record as approving the motion, and we should like to see whether the government could follow up in working out, in concert with other parties in the house through some kind of committee, the kind of secretariat which would be useful so as to fulfil the general intention of the hon. member's proposal.

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I would like to say a few words on that motion. First of all, I want to congratulate the sponsor, the hon. member for Brome-Missisquoi (Mr. Grafftey) for introducing it.

In my opinion, if we were to achieve the object of that motion I am sure that it would help improve the situation which exists between the provinces and the federal government with regard to certain bills. At the present time, relations with the provinces are strained, more especially between the province of Quebec and the federal government, because, instead of co-operative federalism we have rather centralizing federalism. I believe that such a permanent secretariat for federal-provincial relations would tend to prevent the federal government from interfering in all sorts of fields which are none of its concern. Besides, the federal government would certainly have to consult with the provinces before introducing its budget.

In the past, we had several examples of tensions between the provinces and the federal government. For instance, when the federal government passed municipal loans legislation, some provinces criticized that action, and rightly so.

At this time we have before us—and it was mentioned in the speech from the throne debate—a bill concerning loans to students. We all know that the province of Quebec and various organizations, even at the national level, protested against that intrusion of the central government in the field of education which belongs to the provinces.

Furthermore, with that permanent secretariat sitting all year round, some problems of joint federal and provincial responsibility could be referred to it, as, for instance, the matter of lotteries, or water pollution control which is a problem concerning the federal as well as the provincial governments.

For this reason, I think that the suggestion made in this motion is constructive. Its implementation would provide a greater respect for the provinces and assist substantially in reaching a better understanding, which in the end would promote the cause of national unity.

Those are all the remarks I had to make. I take this opportunity to add that I think the government should accept this motion and introduce a measure to set up that secretariat which would be very useful for all the provinces and for the federal government.

[*Text*]

Mr. Marvin Gelber (York South): Mr. Speaker, after the remarks of the hon. member for Quebec South (Mr. Cantin) I suppose hon. members expect me to speak about the national gallery. I might even venture to speak about the C.B.C., but I would imagine that some hon. member would rise and under rule 26 move the adjournment of the house. We have had the suggestion here that consultation has moved in the direction of centralizing power in this country, and that somehow or other this government has shared in that. I should like to point out with regard to the shared cost programs that the Minister of National Health and Welfare (Miss LaMarsh) has indicated that the federal government would co-operate in transferring some of these programs to the provincial governments. In the last few days we have witnessed a bill being introduced in the legislature of the province of Ontario in a matter relating to the Criminal Code which is a scandal and a disgrace, and if there had been consultation with the federal

government by the province in that case, Mr. Speaker, the humiliation which most Canadians feel might have been avoided.

Now, Mr. Speaker, the question of consultation was well set out by the Prime Minister (Mr. Pearson) on the occasion of the dominion-provincial conference last November. The chief area of consultation is that of joint responsibility. There is a fruitful field which might well be explored and developed. A very important factor is not the setting up of machinery which would be approved; the most important factor is that there be regularity of consultation. If there is regularity of consultation, it can be planned and anticipated, and there could be a meeting together and a sharing of minds. I believe one of the important things which we must develop in our provincial-federal relationship is this regularity of consultation.

A number of members have spoken about having a minister in the federal government responsible for federal-provincial matters. The hon. member for Port Arthur (Mr. Fisher) pointed out that this should be the special domain of the Prime Minister (Mr. Pearson), and thus an advantage might be gained by extending his staff so that they would be trained to deal with this problem. The Prime Minister could answer questions concerning federal-provincial problems. If we were to set up a special minister we might, in fact, encumber consultations; we might not facilitate them. We know, for instance in the international sphere there are consultations between various branches of this government and branches of government in other countries. These consultations are quite often so intimate that the normal channels of diplomacy are not the prime avenue for them. I think it is very important that we should develop easy, quick and efficient means of consultation. If this were to be accomplished through the establishment of a special minister, it might well be that this would encumber the consultations.

Each authority must set up its own machinery. It is not for us, in this house, to say what the province of Ontario, the province of Quebec or the province of Prince Edward Island should do. We must think of our own facilities. The area of consultation does not necessarily apply to the same ministry in each province. We know that the federal Department of Labour has responsibility for co-ordinating the vocational training programs and the apprenticeship programs. In point of fact, different ministries in different provinces have responsibility for both of these programs, and in some provinces responsibility is split between two ministries. You cannot always consult with one ministry in a province in dealing with any one of these particular areas of responsibility.

Certainly, Mr. Speaker, I want to compliment the hon. member for Brome-Missisquoi (Mr. Grafftey) upon his presentation and to commend the remarks made by the hon. member for Red Deer (Mr. Thompson) concerning national unity in this country. We have to free ourselves from the easy going attitude we have had towards our problems, towards our responsibilities. We must respond to meet the economic challenges and to meet the other challenges which confront us as a people at all levels. The resolution of the hon. member for Brome-Missisquoi draws attention to the important problem of federal-provincial relations and, in my opinion, focuses attention on this important area of Canadian life which requires examination, which requires planning and which requires consultation.

We have set up an economic council which has taken over responsibility in terms of planning, and which will consult with the provinces on various areas of life in this country. This council will have channels of consultation and channels for planning. I do not believe we can crystallize all these problems in terms of one suggestion, in terms of one idea. I believe we are going to develop channels of consultation. We are going to delineate areas in which consultation can be more effectively conducted. I believe that in this manner, in a pragmatic way, by developing areas of consultation, by recognizing areas of joint responsibility, by ensuring regularity of consultation, we can facilitate the solution of problems in these important areas of our national life.

I think the hon. member for Brome-Missisquoi is to be complimented for his statement, for his resolution, and I am certain that in every way we must keep continually before us the important problem of dominion-provincial relations which cuts across many areas of our national life.

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, we, in this corner of the house, would also like to give our opinion on the motion submitted by the hon. member for Brome-Missisquoi (Mr. Grafftey).

I feel that the hon. member for Brome-Missisquoi deserves to be congratulated for suggesting that a secretariat for federal-provincial relations be set up.

In the past, the setting up of such an organization would have had an impact, for instance with regard to municipal loans, because without it, at one time, the federal government had to back down in order to

study the circumstances surrounding the loans to the municipalities and to give at least some measure of satisfaction to all interested parties.

In the case of the national pension scheme, for instance, the federal members were asked to consider such a plan when Quebeckers knew all the time that the Quebec government intended to introduce its own plan without the federal members for Quebec knowing anything about it. If there had been a secretariat for federal-provincial relations, then we would have known what was going to take place in Quebec, and this secretariat would have been able to co-ordinate the views of all concerned. In this way we would have been able to choose between the provincial and the federal pension plans.

The same thing goes for student loans. At present the authorities and those who are most directly concerned, the students of the province of Quebec, are against the proposed federal legislation because education comes under the exclusive jurisdiction of the provinces.

If there had been a secretariat for federal-provincial relations, perhaps the central government would have been more cautious and would have given serious consideration to the representations made and the arguments invoked by the provinces before taking the kind of action which the present government has been initiating during the past year especially.

There is one point on which I should like to insist.

Minor details as a whole do not reveal the federal government's present policies, which are far from being consistent with understanding and agreement between the federal and the provincial governments, but there is still something more important, I think, and it is that we have been witnessing for some time federal-provincial conferences, where the federal government is endeavouring to solve the problems facing the ten provinces and we believe that on such occasions, the things at stake in the discussions are not seen in their true perspective.

Each province has problems to discuss, each province has rights to defend, especially the province of Quebec.

I believe that the discussions should no longer take place between the federal government and the ten provinces; if we mean to reach an agreement the discussions should be conducted between the federal government and the province of Quebec alone, one facing the other, as equal partners. There should not be on one side, the federal government, and on the other, the province of Quebec with the other nine provinces, because, in this case, the discussion is distorted, each province brings in her arguments and leads the discussion according to her own wishes, and nothing is solved.

Such a secretariat for federal-provincial relations might promote discussion, not only between the ten provinces and the federal government on the one hand, but also between the federal government and the government of one province particularly concerned. If a province was faced with some problem, or wished to suggest some solutions or present some arguments, it might deal directly with the federal government and would not have to sit around a table with ten other governments, when the object of those conversations would quite often concern only that particular province and the federal government.

Mr. Speaker, this would be the only way of settling the disputes between the provinces and the federal government.

During the last federal-provincial conference, in November 1963—and the same thing will happen again at the beginning of April—we saw that when ten provinces, all with different interests, were each discussing some point of particular interest, the government was unable to settle any problem and to find any solution.

When discussions take place between the federal government and the government of each individual province, some issues will probably be settled.

I think that this federal-provincial secretariat might be charged with looking after the problems of each province. Everyone knows that the province of Quebec—and I am speaking of that province because it is my own, just as other hon. members for Saskatchewan or Manitoba will speak about wheat, because they come from the wheat growing provinces—has some particular problems to settle. If they cannot be settled at this time, it is due to the lack of a body to promote frank and sincere discussions between the Ottawa and the Quebec governments.

Mr. Speaker, I say this because I do not see how Quebec can be interested in the problems of Newfoundland, British Columbia or Manitoba. I do not see how the representatives of these various provinces, by meeting with the federal government, can discuss advisedly a given problem.

It is why I contend that such a secretariat should have as its aim to analyse the problems according to circumstances in regard to situation or location. Then, valid solutions could be arrived at which would satisfy everybody, since everyone would have the opportunity of outlining his problems and discussing them as he wished.

Mr. Speaker, I shall refrain from speaking any longer, so that the motion of the hon. member for Brome-Missisquoi (Mr. Grafftey) may be put to a vote.

[*Text*]

Mr. J. B. Stewart (Antigonish-Guysborough): Mr. Speaker, I had thought there was considerable agreement on this motion until I heard the debate. Evidently each person who has spoken in support of the motion supports it for quite different reasons. The hon. member for Port Arthur (Mr. Fisher) indicated that his party is in agreement with the motion. The hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon) indicated that he personally is in favour of the motion. I suspect that the reasons are diametrically opposed. I am rather surprised, I must say, that the hon. member for Joliette-L'Assomption-Montcalm should take the stand that he did because as the veritable leader of his party in the province of Quebec one would have thought that as a member of this house he would have been more concerned about the jurisdiction of the federal government.

There is no doubt, Mr. Speaker, that integration of our economy and society grows apace and that co-operation of a kind never dreamed of a hundred years ago between the several branches of our governments is now necessary. This is especially true in the area of economic development. I am sure that when the Minister of Finance (Mr. Gordon) wishes to propose programs for the development of Atlantic Canada he feels embarrassed by the fact that the federal government can do only certain things and must rely on the provinces to complement what he proposes in this house by their own provincial programs.

My hope would be that a federal-provincial secretariat of the kind proposed by the hon. member would strengthen the bonds of our national unity. I hope that in such a secretariat we would have the opportunity to exchange information, to become aware of the problems of the various parts of the country, and to co-ordinate our diverse plans. It seems to me that there is an error abroad in the land, and I thought I could detect it rather clearly in the remarks of the hon. member for Lapointe (Mr. Gregoire). The implication there was that Canada is a country produced by two founding races. I think this label is a useful one when we are talking about one of the problems confronting our parliament and our people at this time. But this label conceals much of the reality. Let us remember that Canada is a confederation of provinces, originally three or four with others added later. I would hope that a secretariat of this kind, being a meeting place for the federal government and representatives of the several provinces, would emphasize the fact that this country is a federation of provinces, and that any problems of other kinds there are will be dealt with as superimposed upon this fact.

A good deal of preliminary co-operation would be necessary if such a secretariat is to be established. I do not think we in this house can presume to advise the provinces that they should set up a sector representing them in a federal-provincial secretariat. It seems to me that the hon. member for Port Arthur made a very shrewd observation concerning the Prime Minister's office. Perhaps it was only speculation, but if so it would probably be borne out by an examination of the real facts.

There will have to be a good deal of exploration with regard to what such a secretariat will accomplish before we can push ahead to devise the precise machinery of the secretariat. I think this is important to remember because such a secretariat is not without its dangers. The people of Canada are represented here now by a parliament. It would be hazardous to create another entity of government, a kind of national congress, a kind of congress of ambassadors supplanting this parliament and thereby supplanting the direct, democratic procedures on which this House of Commons is based. Nevertheless, despite these dangers I think we should explore this idea, not so that the secretariat would become a congress in effect making the law for the land, but so that it might become a place for the exchange of information and for consultation among and between the several governments in this country. I will not attempt to explore, as did the hon. member for Red Deer (Mr. Thompson), some of the more fundamental questions that would be—

Mr. Deputy Speaker: Order. The hour appointed for the consideration of private members' business has expired.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

THE BUDGET

ANNUAL FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The house resumed consideration of the motion of Hon. Walter L. Gordon (Minister of Finance) that Mr. Speaker do now leave the chair for the house to go into committee of ways and means, and the amendment thereto of Mr. Nowlan.

Mr. D. G. Hahn (Broadview): Mr. Speaker, it is enjoyable to play to a packed house.

Mr. Winkler: Where are your colleagues.

Mr. Hahn: I was going to open my remarks tonight with a few kind comments to some of my colleagues on the other side, but the particular colleagues I wish to address myself to are not here, so I shall stop the pleasantries and move on to the main purpose of my speech dealing with the budget.

The hon. member for Nanaimo-Cowichan-The Islands (Mr. Cameron) indicated that a budget should and must be more than just a government housekeeping list. He indicated that it must primarily be a document that indicates the social purpose of the government. To me this is very, very true. A budget is a document through which a political party expresses its social purpose in practical terms. It is the instrument through which the theory of its social ideals is translated into practice, and it is with this aspect of the budget I should like to deal tonight.

I realize that a budget is also so many other things, and deals with problems of trade, investment and so on. However these are things that were covered in the budget speech, and undoubtedly will be covered by other hon. members on both sides of the house, so I shall not deal with them. A budget does many things, and in the social field it has a distinct purpose. I think you can see what purpose a budget has, you can recognize the social policy when you look at a budget's approach to the way in which revenue is raised and, obviously on the other side of the coin, to the way in which moneys are spent, the level of the expenditures and the direction in which they go.

I should like to look at these particular factors in the present budget. First of all, let us look at how we raise the revenue we need. The hon. member for Nanaimo-Cowichan-The Islands criticized the budget, and criticized quite severely the fact that there was no tax on capital gains. He suggested large sums were being made, large profits were being earned, and that not one nickel of this was finding its way into the public treasury. He would tax these profits thereby, in his own words, "preventing a grossly inequitable distribution of that income."

The effect of this would be to put a ceiling on the business opportunities that are available in this country. He would seek to redistribute the income in the country through taxes, in such a way that you would lift the bottom up, helping those people who need help but at the same time putting the lid on the top, or limiting the opportunities available. He would seek then to add to the maxim, that all men are born equal, the words, and shall so remain.

I reject this; I think it is wrong.

It seems to me that over the years the structure of our taxation, the means we use to reap our revenue, have grown a bit lopsided. The original purposes are probably becoming a bit obscure as more needs are added year by year and more funds are needed to meet them, but we still do have an underlying philosophy within our taxation system of redistribution by progressive income and other taxes. We have remaining some incentive for private investment for capital gains, for the entrepreneur to invest money in the country, because these capital gains are not yet taxed; but the system has become blurred and confused over the years.

This year, for reasons outlined by the Minister of Finance, we are not making a change in the fundamental basis of collecting our revenue, but by the end of this year the report of the royal commission on taxation should be presented and in our next budget we should see the start of changes in our method of collecting revenue which should reflect the social purpose of the government. When we do I hope that in making these changes we recognize what we ought to do to meet our basic needs.

First of all, I think it is imperative that we always recognize the needs of those people who are not able by themselves to maintain a minimal, reasonably decent standard of living. I hope that we always continue to distribute from those that have to those that have not. We must provide means to alleviate the hard core of suffering that still exists in our country. As a Liberal these things are inherent in my philosophy. In doing this we must be very careful that we do not remove strong incentives for those who would like to invest, strong incentives for advancement and opportunity within our country.

I do not think we can attempt to follow a social pattern of trying to produce an artificial equality. We must allow room for free competitive opportunities in a free society so that people can find their own levels. I expect taxation to effect a redistribution of income, to put a floor under hardship and misery within the country. I am sure Conservative members of the Conservative party would want the same thing, although I am sure we could not agree on the level at which this floor should be. The important thing is that we must try and put this floor under misery without at the same time putting a ceiling on top of opportunity.

All men may be born equal, but I think it is folly to say they are going to die that way. So, when we revise out taxes I hope we allow, maintain, continue and probably

increase the opportunities for advancement, the opportunities for competitive operations within the country and that we shall not attempt to create an artificial equality that we cannot maintain.

Now let us turn to the other side of the coin. Let us look at the spending. The Conservative amendment suggests in true Conservative fashion that we are spending too much and that our deficits are too high.

Mr. Winkler: That is after what you said; do not forget that.

Mr. Hahn: I welcome this return to Conservative principles on the part of hon. members opposite. I do not agree with this view but I think it is time it was expressed.

Mr. Winkler: You said we were spending too much.

Mr. Hahn: Hearing these Conservative views expressed, I think there is something about the acoustics of this hall which makes those views much more palatable when they come from Mr. Speaker's left. I hope it remains that way.

What should we be trying to achieve in our levels of spending? Is it realistic to expect the absolute levels of expenditure in this country to decline? Can we really chop great chunks out of our spending? I, for one, would like to see reduced levels of expenditure, as I am sure most people would, because if we spent less it might be possible to cut taxes. But is it realistic to expect such cuts? There are only two ways, as far as I am aware, in which to cut spending. The first is by increasing the efficiency with which money is spent so as to make maximum use of every dollar. The other way in which to save money is to cut out items which are not needed.

It is unfortunate but true, I think, that governments are inherently inefficient in their spending operations. It seems to me that waste goes hand in hand with the size of the operation, which is an inescapable part of all government operations. The Glassco commission pointed this out in most definite terms. The present government is now implementing the recommendations of that royal commission and its action in so doing will increase the efficiency with which the government spends its money. We are likely to realize some attractive savings in consequence, but I do not believe that the total savings to be realized in this way will be significant or substantial enough to lead to a significant fall in government expenditure.

I think steps taken toward making the machinery of government more efficient will be both beneficial and productive but I do not think they can be maintained to the extent of producing fundamental changes. It seems to me we must also be realistic enough to realize that, no matter which party is in power over the years, new examples of inefficiency will creep into the administration while some of the old ones we thought had been got rid of will return, despite all the efforts which were made to get rid of them. So it seems that at some stage in the future we shall be obliged to go through the whole procedure again and review once more the efficiency of our spending. It is unfortunate, but I think these problems are inherent in any government operation and I do not believe any government could count on long term substantial reductions in expenditure as a result of increasing its efficiency.

This means that the only way in which we could successfully cut expenditure, should we decide to do so, would be by reducing the number of items on which we are spending money or by reducing the amount spent on each. Last session, as a new member, I sat in this chamber during the presentation of the estimates. In my naïve ignorance I thought I was witnessing the process by which parliament exercised control over the public purse strings. I expected to hear members querying various items of expenditure to find out whether they were really necessary, whether the amount spent could be reduced, and so on. As we all know, that is not what happens. There are, obviously, exceptions. But the impression I received was of a number of speeches aimed at urging the government to spend money on things which might be popular with constituents back home.

Members sitting opposite who, in their criticism, complained by and large that we were spending too much money, failed to produce many concrete or constructive ideas as to where our spending might be cut. There were notably few suggestions from the other side of the house in this regard. Parliamentary perusal of expenditure seemed to resolve itself into general requests for more spending. The idea that parliament controls the purse strings during the examination of the estimates is not a realistic one, in my opinion, and I hope that the committee which is now studying procedures of the house will consider this particular matter and, possibly, recommend that the estimates be studied in some other way, for instance in a committee where some effective work could be carried out. If this were done we might be able to bring about some savings, though I do not think that any major savings could be effected. Thus, neither by increasing our efficiency nor by improved methods of parliamentary scrutiny are we likely to achieve substantial cuts in our spending levels.

I know that Conservatives are opposed to increases in government spending. It is a natural conservative tendency—I mean to begin that word with a small "c"—to resist such increases. However, there are still a number of fields in which there is a need for continued and even increased public expenditure. For example, I do not believe that we have by any means done all we ought to do in the field of welfare in this country. There are still far too many Canadians who are existing in living conditions which most of us would consider deplorable. There are some who say we ought drastically to slash our expenditures in this area. I should like to take them to certain parts of my own riding where they would see people living in substandard housing, ill clothed, ill fed and worried about medical bills. I am sure they would then feel, as I do, that this is not worthy of Canada in 1964. In the field of welfare therefore, if we are to satisfy my conscience at least we should be spending more, not less.

There are, in fact, a number of directions in which there is still a continuing need for public expenditures. For example, we need to direct more funds to investment in this country. We need to spend more money training people in the new technology so that they can obtain and retain employment in a technological society. We need to develop those areas of our country where unemployment remains high; we need to establish and develop industries which are capable of competing in a world where tariff changes are likely to take place. We must continue the process of investing in the human and material resources of our country—any program of this kind will mean continuing certain expenditures in the future. If we do not make these expenditures we shall, in the long term, be confronted with the need to make welfare payments on an ever increasing scale, the consequence of not having prepared ourselves for the changes which lay ahead.

The hon. member for Digby-Annapolis-Kings (Mr. Nowlan) criticized the increases in expenditure associated with the new Department of Industry. This department has two main functions. One of them is area development, aimed substantially at fulfilling a definite need in this country by concentrating on those regions where unemployment is higher than it should be. These are the problem areas about which we must do something if we are to achieve a reasonable balance across the country. The department has another purpose, namely, to work with industry and assist it in reaching a position where it is competitive in the export markets which we must seek. Surely these aims are worthwhile aims and if we do not achieve them we shall suffer for it later on, since the consequence will undoubtedly be increased unemployment. It does not seem valid to me therefore, to criticize the expenditure of money for these purposes. The Atlantic development board has a somewhat similar function but I notice the hon. member was not too critical of expenditures made in this particular area.

I think it is perfectly valid to criticize the way in which the department is carrying out its responsibilities. It is obviously too early yet to say whether it has done a good or a poor job. The basis on which it started indicates that it is doing a good job, but a few years from now there may be a very valid criticism that the department is not doing the job it should be doing. However, this is no reason to criticize the basic need of establishing a department to carry out these functions that I think had to be carried out. So that this, again, is an area where I say that spending must continue, must expand; we must continue to make expenditures in areas that are going to help the economy of the country develop for the future.

On the basis of this, then, there are many, many areas where we are not now doing the job we should be doing. There are many areas where we could be and perhaps should be, spending more, not less, than we are. So that to me the balance, the distinguishing factor, the thing that is important is that we have all these needs that we are not now meeting because we only have certain resources with which to meet them. On the basis of this I cannot see expenditure going down, in absolute terms. It is a question of at what rate will our expenditures rise.

It seems to me we have to concern ourselves with the rate of rise of our expenditures and not think in terms of absolute cuts. We have to concern ourselves with what is the right rate of rise of expenditure, in what priority, and to what things do we put the increased money which we are spending. I think in this budget we see a good example of what, to my mind, is a proper balance of these factors.

We are increasing our spending by some 3½ per cent or so; the gross national product is forecast to rise to about 5 per cent, so we are not plowing all our gains into increased expenditures. We are doing what I also feel we must do; we are using some of our gains in order to reduce the deficit. We are reducing the deficit by one third this year; we are starting to get that under control. I hope that in the future we will get the deficit wiped out. I would like to see surpluses so that we can reduce our debt load, because this is one place where we can save money in absolute terms.

Also, I should like to see tax cuts so there is greater incentive to Canadians. But as of now, I think the amount of spending increase that is forecast for this year relates to two things; the fact that there is always a need, and a legitimate need, for greater expenditures and the size of our deficit. In view of the gross national product increase, I think the increased expenditures forecast for this year are reasonable. Look at what we are expending these funds on. It seems to me that the type of expenditures we are making balance against the social factors that I think have to be balanced. One is providing opportunities for Canadians in terms of job retraining and educational grants in terms of employment opportunities, and through such things as the bonus on housing, the municipal loan and development fund, and all these other projects. It seems to me that by spending money in this area we are meeting the economic needs of the country.

Also, through our educational grants, through the relief of taxes to students, we are trying to provide, as I think we must, the equality of opportunity for Canadians that I think is so important and desirable. What we are not doing to the full extent that we must—and we will be doing this over the years and will always have to continue it as we get in better financial shape—is this; we must still go after the problem of substandard living conditions. But I think for this year we are moving in the right direction; we are putting our increased expenditures into those things that are needed to build up the country in the future.

So I think this budget is sound. I do not believe we should be criticized for an absolute increase in our expenditure, bearing in mind the rate of growth of the economy in relative terms and the increased percentage of gross national product. Our total expenditures are moving down and our budget deficit is coming into balance. I think the area in which we are spending is also in line with the sort of things to which I like to see increased expenditures go. So if I may quote from the well known commercial, to me the spending side of this budget is right for our times.

Mr. Joseph Slogan (Springfield): Mr. Speaker, last Monday evening, like other members of parliament and like people all across the country, I listened very attentively to the Minister of Finance (Mr. Gordon) as he brought down the budget. To say the least, it was a disappointment. Last year the minister could be called the great surgeon. He came into this great operating room of parliament and brought forth his patient, the ailing economy, and began to operate to remove the ulcers. Before he had finished, he had amputated all the patient's limbs.

[Mr. Hahn.]

Mr. Knowles: And left the clamps inside.

Mr. Slogan: The pundits of the Liberal party are certainly not following that course this year. The great surgeon is treating the ills of the economy with aspirins and with the occasional sugar-coated pill. Surely this is not that bold, aggressive approach that was promised to the people of Canada in the last election campaign. In fact, it seems that the front bench of this government, although so young in power, is peopled by old and tired men who lack initiative, imagination and the aggressiveness that is needed to set this economy on the right road again. Again, I must say that in listening to some of the backbenchers I thought they exhibited better insight and more common sense than the men on the front bench.

How are we supposed to judge this budget? The only criteria we can use in judging the budget are the criteria which the Liberal party themselves set in the election promises of the last campaign, and also in the criticisms of the economy as it existed under the former government. So let us look at the economy in the last year of the Conservative government. Our gross national product showed an increase of 8 per cent; one third more than in this fiscal year. Certainly, if they said that 8 per cent was not enough to get the economy moving, they should be doing something to surpass 8 per cent.

Another yardstick, of course, is the cost of living index. In 1962 the late President Kennedy said that Canada had attained the greatest price stability among all the nations of the free world. In fact, in the last three years of the Conservative administration the cost of living index was kept well below what it is this year. Therefore we not only had greater stability of price and a higher gross national product, but we had greater national production. It is the true index of growth in the economy. National production in the last year of the Conservative government was 6.4 per cent, as against 4.3 per cent last year. That, again, was almost one third higher. In the last election campaign the Liberal party said the country was standing still; they said the economy had to be put on the tracks again, it had to be set in motion. By their own standards, by their own criteria, they have failed. They have failed most miserably the people of Canada and their own party.

An hon. Member: Hypocrites.

Mr. Slogan: I would like to come back to this topic a little later, Mr. Speaker. I would now like to look at some of the sugar-coated pills. One is the extension in family

allowances to children of 16 and 17 years of age who remain in school. This, of course, was part of the Conservative platform in the last election campaign. We in this party brought forth a resolution a few weeks ago, and the people on the other side of the chamber decided to vote against it. Now they bring it in. It is welcomed; it is good; we support it. Then there is the loan provision to students, which is also very much welcomed and which we support.

But we wonder what has happened to all those scholarships which the Liberal party promised the young people of Canada. There has been the exemption of tuition fees of part-time students, and I understand that this is being extended to graduates in the technical and professional fields who undertake postgraduate and refresher courses. I welcome this. I was one who over the years tried to achieve this. I also think that as well as tuition fees the cost of instruments, books, and travelling and living expenses should be included. After all, the professional man contributes a large portion of the income in the coffers of the federal treasury, and he is being penalized twice. He has not been encouraged to take refresher courses and keep abreast of advances in technology, which are in essence a capital investment for him because through his added knowledge he earns more money, which means added income to the federal treasury.

I hope the Minister of Finance will give consideration to greater exemption for postgraduate courses. It is anomalous that at the present time the professional man can go to an international or domestic convention once a year and write off all his expenses, whereas if he undertakes a refresher course, that is not possible. Inasmuch as most of these courses are undertaken in different countries or different parts of Canada, this is a real necessity.

I should now like to make a few remarks on the current account deficit in our international balance of payments. As the report of the Bank of Canada shows, in the last few years there has been a substantial decline in this deficit and there has been a welcome decline this year. As the Bank of Canada report shows, if it had not been for two factors, the devaluation of the dollar and large sales of grain to communist countries, that deficit would have been larger this year than last. Certainly here are two stories which deserve retelling. The hon. member for Acadia (Mr. Horner) mentioned these factors this afternoon, and I should also like to say a little on the story of wheat.

It can truly be said that this year the farmers of the country did a great deal to attain what growth there has been in the economy and contributed to the improvement in our international balance of payments. When the Conservative party came to power in 1957 we inherited large surpluses of wheat, owing to the fact that the policy of the Liberal party was this: If people want our wheat, let them come and get it, because we grow the best wheat in the world. Part of the national agricultural policy of the former Conservative government was that of accelerated sales. We went out and sold wheat. Then came the Chinese wheat deal. Mr. Hazen Argue, who was the leader of the C.C.F. party and then latterly the agriculture spokesman of the Liberal party, stated that this was not a wheat deal at all because there was no fixed price, and therefore it was bad for Canada.

But was it bad for Canada? How short can memories be? We in western Canada remember how the Liberal party sold the western farmers down the river in the British wheat deal when, because of a fixed price, hundreds of millions of dollars were lost to the farmers in the west when the world market price of wheat soared. Then after that, feeling sorry for the farmers, the Liberal government of that day took $60 million from the taxpayers' pockets and distributed it amongst the western farmers, giving them a return of 10 cents on the dollar as compared with the money which could have been earned when world prices increased. When the Chinese wheat deal was negotiated the price was $1.67 a bushel. Then the price went up to over $2. You remember, Mr. Speaker, the great march on Ottawa by the western farmers who were asking for deficiency payments on grain of 30 cents a bushel. They got their deficiency payments through the increase in world prices and it did not cost the taxpayers a cent. This has been the policy of the Conservative party, and it is little wonder that the agricultural people of Canada support us.

I have been talking about agriculture and I do not want to get into a detailed discussion on it, but our whole approach to the problems of agriculture, which hitherto have been tackled piecemeal, was to bring in a national policy to provide for the basic needs of the farmers. First of all we required stability of prices, so we brought in the stabilization act. Then there had to be an attack on the problems of the weather, and we brought in enabling legislation for crop insurance and extended the Prairie Farm Assistance Act. Then we had to find new markets, so we started a program of accelerated sales. I could go on and on. This afternoon the Prime Minister (Mr. Pearson) was extolling how the Liberal party is the friend of the farmer, and yet when I go to the Bank of Canada report I see on page 33 that farm cash income and

accrued net farm income has levelled off considerably in growth this year. Surely the farmers of Canada, who this year have done so much for the economy, deserve a better deal from the government.

In our part of the country we have had a severe crop failure this year. I have had a question on the order paper asking what the government intends to do to assist, but it has not been answered, probably because the Minister of Agriculture (Mr. Hays) is not around. A lot of farmers in our area cannot afford to buy their seed grain this year, and there again the federal government has refused to be of assistance. This is only typical of the Liberal party in its approach to the problems of the nation.

Now a word about devaluation of the dollar. As the former minister of agriculture said, the campaign of the Liberal party on the devaluation of the dollar was the greatest fraud ever perpetrated on the people of Canada because, while the Liberals did not believe that devaluation was not a good thing for Canada, they led the people of Canada to believe it was not. I say that, because if they had believed it was not good they would certainly have done something to restore the premium on the dollar.

But what has devaluation done? Even for the farmer it has meant a 15 cents a bushel increase in price of wheat on world markets. It has increased our competitive position and the position of our exports. I have mentioned what was done with our international balance of payments. For the first time in our history we have a positive balance in our tourist trade, and for this again devaluation of the dollar is largely responsible. It also has meant a decrease of imports into the country, because devaluation has made our domestic products more competitive with the products from low wage countries. To be honest, I think the Minister of Finance and the politicians of the Liberal party should welcome devaluation and should say it was a good thing for Canada; that they have misled the people of Canada and that the policy of the Conservative government at that time was a proper one. I also say that in order to attain the goals we need in our economy, if it is necessary to devaluate the dollar further, then I am in favour of it. Many countries in the world have devaluated their currency. For example, the British pound was $5, and see what it is today. A devaluation of 7½ per cent is nothing drastic; it has done a lot of good for the economy, and if further devaluation would do more good, I would be in favour of it.

Now I want to deal with a more non-controversial subject about which I wish to express some views which perhaps do not reflect the opinions of other members of the house on either side. As a young man I am not so preoccupied with the past as with the conditions of the present and the prospects for the future. If we are to progress in this country there is room for improvement everywhere. Perhaps we could start right here in this chamber. As members of parliament, we have basic shortcomings. I think we are very pragmatic in our approach to the problems of the country, have an insatiable fear of the electorate and are also very reticent to take a stand on anything but the most non-controversial problems.

I think we are followers rather than leaders in this country. In this day and age, people expect their members of parliament to be leaders. I believe that, as a central government in this country, we must resolve to make the federal government a more effective instrument not only on the home front but amongst the nations of the world. We must inspire amongst Canadians a respect for the government and patriotism in this country, which I think is disintegrating at this time. I believe that, as trustees of Canada, it is our duty to establish unity and opportunity for all Canadians from whatever section of Canada, from whatever racial background or from whatever economic conditions they may come.

It is the duty of the federal government to assist the weak, to restrain the strong, to instil in the average Canadian a greater sense of duty and a greater destiny for Canada. I think we must become partners, too, with all the other levels of government, with all the segments of our economy. This makes for progress and for a modern, enthusiastic society. To a large measure, this philosophy is embodied in the philosophies of the political parties and in the philosophy of the Conservative party which can be described very simply as the vision to create and the courage to retain, and in the words of the motto of our party, which is "opportunity, security and freedom".

If we are going to do something about the problem, it is not enough to just define it. I think we must study the methods which will correct what we lack in our economy today. It is necessary to give vitality to this country, which seems to be lacking, just as we did in 1957 with that vision of the north, the new frontier and the great national development policy we brought into effect. Hon. members should recall that we started the roads to resources program. The present Prime Minister (Mr. Pearson) said we were building roads from igloo to igloo. I think all members on the other side will regret that phrase. This was reminiscent of the

defeatist Grit opposition in the early days when we were building railways, as they said, from wigwam to wigwam. This is not the type of vision or outlook we want in Canada. We want a vision that is going to bring greater progress to Canada than we have at the moment.

As I said, we could start in the House of Commons itself because I believe that in approaching problems in this house we are often archaic. We are often ineffective. We spend a lot of money and time uselessly. I welcome, therefore, the reconvening of the committee on rules. I only hope that they will have some amendments to bring forth which will make the government more effective without in any way restraining the opposition in their rights to criticize the government.

I feel, too, we need to reconvene a federal-provincial conference with a view to redefining the areas of responsibility under the constitution. We have had the British North America Act for almost 100 years, and it has served us well. But, more and more, we see that there is duplication in government which I believe leads to a waste of money. This duplication has built a government too large to be effective. I think that by redefining the areas of responsibility of the various governments we will be doing a service to Canada. If we can also encourage amongst the provinces something that has been started already, we will be doing a service. I refer to horizontal association, and by that I mean the provinces themselves getting together in those areas of activity which are distinctly the responsibilities of the provinces. The provinces should not have to come to the federal government in connection with responsibilities which are strictly those of the provinces.

These days we hear a lot of talk about co-operative federalism. In those areas where responsibility is shared, I think it is going to be necessary to have closer links with the provinces. Certainly, the record of the former Conservative government in this regard was an admirable one. The principle we have to follow is that the government that is going to spend the money must take the responsibility of levying the taxes. I do not believe demands can be made on the federal treasury all the time unless those who are going to spend the money take the responsibility for levying the taxes. This federal government, during the short time it has been in power, has failed in a lot of respects in relation to its responsibilities with the provinces. I think it has failed and, at the same time, it has weakened the strength of the central government. I do not believe any province should hope to establish itself as an equal of the federal government. In the interests of a strong, united Canada, the central government must remain strong and must remain dominant. This has been the policy of the Conservative party since confederation and I think it is still the policy of the Conservative party.

I hope that the Liberal party will not be doing the things it has been doing to create disunity in the country. I want to refer for a moment to the royal commission on biculturalism and bilingualism. Since the establishment of this commission I have noticed that in many parts of Canada people who normally had the greatest good will toward the province of Quebec are becoming irritated. A lot of this good will is being lost. I believe these people resent the manner in which the extremists of that province are presenting their problems. In this regard, I feel communications media have a great responsibility. This is one area in which I think they have failed. They have failed the people of Canada, and they have failed their own profession by giving undue attention to that small portion of the population which holds these extreme views and playing them up in the newspapers, on television and radio. I feel the communications media, too, has a responsibility in connection with uniting this country and in connection with building a greater Canada. Statements have been made by people like Rene Levesque and even our present Minister of Citizenship and Immigration (Mr. Tremblay). I think when the minister refers to members of this house and the traditions in this house in a way which would exclude some members—and I would be one of them—from positions in the house, he is making the type of statement that does not make for unity and harmony in this country.

I believe a study needs to be made in this area, but certainly a more positive approach could be used than by coining artificial words such as "biculturalism" and "bilingualism" which, by their connotation, spread abroad the idea of the lack of an integral whole. Through the intervening time since confederation, Canadians as a whole have been taught to be tolerant and to respect the views of all. Regardless of their background, they have been taught to be proud of their distinctive contribution to our culture. Terms such as mosaic, flower garden, rainbow and other such apt phrases have been applied to the distinctive blending and fine harmony that has been reached in the Canadian culture. We in the Conservative party are distinctly proud of our promotion of the idea of unhyphenated Canadianism. Canadians today, individually, should be proud enough to assert their status

as Canadians, without being relegated to first, second or third class Canadians, as much of the publicity surrounding the commission on biculturalism and bilingualism has done inadvertently.

In the few minutes I have left, I want to come back to what I believe the Liberal party can do in order to attain some of these objectives which they have set for themselves and which they have failed to attain. I believe that what we need in Canada is what I would call "A Canada charter—a partnership for progress". This would be a partnership between the federal government and the other levels of government, a partnership between government and the other segments of the economy. First of all, I think it is up to the federal government to be the leader in this respect. It is up to the federal government, if we are to prosper, to relate the segments of economy. It is up to the federal government to define the goals specifically and then plan for their attainment. I believe every effort must be put forward toward recruiting other aspects of our economy in the attainment of these goals.

The minister did mention some of these goals in passing. He referred to increased employment, increased growth, expanded trade and stable prices. There are others such as a sound immigration policy and the guarantee of a minimum standard of living for those of our people who through no fault of their own, are unable to participate as fully as other Canadians do in our prosperity.

Perhaps it would be good for us to look at these goals a little more closely. Basically we are a free enterprise economy and it is our goal to maintain that free enterprise economy because at least in the field of agriculture we can say today that democracy with its freedom is a far superior way of life to that behind the iron curtain. When we consider that the very small proportion of our population in Canada which is engaged in agriculture is producing great surpluses compared with the very large percentage of the population in the Soviet union engaged in agriculture, and failing to produce enough to feed the population of that country, then certainly this is one area where the free enterprise system is more efficient.

I think one of the partnerships we must look to, as well as partnership of the various levels of government, is the partnership of labour, management and government. It is obvious that labour, management and government each has a role to play in attaining these goals. The leader in the attaining of prosperity must be the government, and it is up to us to establish a partnership for progress with each sector of the economy.

[Mr. Slogan.]

In my view we must co-operate with labour to guarantee to the worker a decent minimum wage. I think we must encourage a sound wage structure that will give the worker a decent standard of living. I think we must see that labour is free and responsible in collective bargaining. I think labour must be a partner in increasing efficiency and productivity. In return I think that management too can do something for labour by instituting profit sharing schemes and by making available to their workers equity shares in industry. I think that workers should be proud enough of the company for which they work to invest in it by buying equity shares. In this way they would be investing in the future of their own industry and in Canada as a whole.

At the same time there are responsibilities that labour must accept. Labour must accept the responsibility of not crippling essential industries by irresponsible strikes. There must be freedom for the individual within the labour movement. There must be the largest scope of autonomy for Canadian unions. Unrealistic wage demands that create unstable prices must be avoided. I think that, more than in the past, management and labour must work together, assess their common goals and work harmoniously to achieve them, because only in this way can we achieve a larger share of the world market where our prosperity really lies.

In my view management and industry should be able to look to the government for the proper climate and opportunity for expansion. Management must avoid unsound price advances. Technological advances must be coupled with concern for human displacement. Most of all, industry must be concerned with increasing trade abroad. As one of our ministers said, they had better get off their fannies and sell.

With regard to management and industry, governments must be vigilant to protect displaced workers and to discourage unsound price advances that affect those on fixed incomes and hurt our competitive position abroad. We must be vigilant in our protection and encouragement of small businesses against combines and cartels which eliminate competition.

The government must realize also that following the devastation by war a large portion of European industries has set up new plants, which have become more competitive. Therefore there must be tax incentives for our industries in order that they may improve their plants and place themselves in a competitive position. At a time when European costs are rising, I think that such incentives would do a great deal for Canadian industry.

We in the Conservative party initiated loans to small businesses, a departure from previous years. We expanded export-import insurance. We convened the greatest trade promotion conference in Canadian history. These are some of the things which the Liberal party could emulate.

I want to refer for a moment to the national debt because actually what we are doing by the vast increase in the national debt is mortgaging future generations of Canadians. I think the national debt should be of real concern to every Canadian. In an article in the Ottawa *Journal* I noticed it was estimated that the federal debt went up by $50 for each Canadian in the past year, which is twice the rise of recent years on a per capita basis. The total national debt stands at something like $15,136 million or $789.10 per capita. Perhaps a better way of assessing the impact of the debt on the economy is to realize that in every family with two children the breadwinner is saddled with a mortgage of $3,156.40 and that it is costing the breadwinner of every family with two children $216.44 to pay the carrying charges on the national debt, which this year will amount to $1,038 million. If the government would make the people aware of this fact I think there would certainly be more co-operation with regard to the demand for a balanced budget and a reduction in the national debt to free money that could be invested in the national economy.

In my opinion, continuing deficits will only aggravate the situation. Balancing the budget and reducing the national debt at this time of relative prosperity would do a great deal to free money and make it available for capital investment in the country. I am not saying that deficits are not indicated in certain instances. For example, in a time of recession such as we inherited from the Liberal government, although personal savings in the banks were at an all time high—

Mr. Deputy Speaker: Order. I regret to have to interrupt the hon. member but his time has expired.

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, I am sorry that the hon. member's interesting remarks on the national debt had to be interrupted. If the 1963 budget of the Minister of Finance (Mr. Gordon) could be described as a time bomb which blew up in his face with a loud bang, I think one can only say that the sound that came forth from the present budget was the equivalent of the small plop when a cork is withdrawn from a bottle. While the minister may attempt to describe the contents of the bottle to us as vintage champagne, I am afraid that to many of us it tastes more like stale soda water.

However, I really do not wish to concern myself for any length of time with what I would term the superficialities of the budget, but rather I should like to suggest that when a Liberal minister of finance brings down a budget we see Liberal government revealed in its true colours. We see that when it comes to the pinch the Liberal party and the Liberal government always seem to come down firmly on the side of the exploiters and not the exploited. While it may be true that they try to cover up this situation with a few small sops thrown to the people at large, such as the minor extension in family allowances, nevertheless as far as I am concerned this is the basic situation which the budget presented by the amiable Minister of Finance has revealed to us.

I know it is quite true that we who sit here in the House of Commons as members of the New Democratic party often find ourselves giving at least partial approval to many of the proposals which the Liberal government brings forward, proposals, for example, such as the rather fragmentary Canada pension plan or the proposal to send a peace keeping force to Cyprus. However, we in this party are committed to a very different basic point of view so far as the purpose and function of a budget in our government and society are concerned.

I note too from time to time we find ourselves agreeing and quite rightly saying that some of the ministers are doing a good job in administering their departments. I think many of the ministers would agree that we in the N.D.P. are quite prepared to co-operate with them in the proper sense of the term, as members of parliament, in assisting them to do an efficient job of administering the normal affairs of government. But the house, the Minister of Finance and the government should not be misled, by that seeming pleasantry on occasion on our part, into any idea that we find ourselves agreeing in any fundamental way with the government in power.

The occasion of the presentation of the budget is one when we should certainly try to stand up in the house and make ourselves clear on this point. We also find among hon. members opposite, who officially support the government, many nice, well-meaning, idealistic people. They are some of the best examples of do-gooders in our society, and the hon. member for Broadview (Mr. Hahn) who spoke a little earlier, is an excellent example of that sort of person. They are the people who, from time to time, bring modest pressure on the government to introduce

measures designed to improve public health, to improve the situation of the aged, and to help keep the ill from starving.

They have strong humanitarian impulses, and I freely admit this. We in the New Democratic party share those humanitarian impulses with them; but when budget time comes, and with the customary pomp and ceremony the Minister of Finance stands up to deliver his speech, time after time we find we still have a government that is wedded to the philosophy of the jungle law, where the strong are allowed to eat the weak, and that all the humanitarian impulses of the do-gooders have not got us very far.

To illustrate that point I would like to read a portion of a letter which I received from one of my constituents. It says:

Dear Mr. Barnett:

I may sound very bitter to you but I've reason to be so. Dr. Peterson sees me every two weeks, and he told me he was doing all he could for me, the only thing was new lungs, an operation that can't be done, lungs are gone with bronchitis, some days I can hardly walk with one leg having chronic trouble.

The board in Vancouver turned me down because I can feed myself with a spoon and go to toilet myself.

They are being bribed by someone—

I am not suggesting that I agree with her reasoning, but I can understand her feelings.

—to not give it to me in hopes that by next year I won't need it and will be dead.

There is an example of the kind of situation that I feel very well illustrates the basic position taken by the government of Canada over the years. This woman is partly blind but she is not blind enough to qualify for a blind pension. I know this because I tried my best to get it for her. She is physically disabled but is not disabled enough to qualify for a disabled person's allowance. So she must go along, eking out the barest and most miserable of existences, and I cannot blame her when she comes to the conclusion that boards and governments are just sitting down hoping that before next year she will be dead.

Another example of the fact that in a country as wealthy as Canada we still have a government wedded to the philosophy of the jungle law is the Canada pension plan, which was introduced with such a flourish in this house. As I say, it is something which we in this party will be supporting, but we should not let it go unnoted that as it is proposed it leaves completely unanswered the problems of all the people who will retire during the next ten years in the period the plan is coming into operation. The government will be quite content to let the law of the jungle apply and allow those people to die off in misery and semi-starvation.

[Mr. Barnett.]

Every time the Liberal government unveils a new budget we find the situation remains where the rich will continue to get richer and the poor will continue to get poorer in terms of the productive capacity of the country's economy. I shall not belabour statistics, but anyone who sits down and analyses the figures which are put out in reams by the dominion bureau of statistics can easily see that this is borne out by the facts. Each time a new budget is introduced we find that the ever encroaching monopoly of corporate interests is being encouraged to expand its near dictatorial control over the lives of its wage slaves.

Some hon. members may say that "wage slaves" is a pretty old-hat sort of term which went out with the nineteenth century. Well, Mr. Speaker, any hon. members who really try to understand the problems faced from day to day by the working people, who carry the burden of the sweat and toil, must understand the encircling influences put around them by so many of the employing interests in this country, and will have to agree that the term "wage slaves", far from being old-hat, is becoming more and more true and in a much more insidious fashion than it was in the nineteenth century.

When I use this term I am not referring only to the so-called blue collar workers. I am referring even more to the brains that are hired by these modern corporate dictatorships. I can give one example which happened in my own constituency within the last year.

It concerns a capable office worker for a certain company. He had one son who was a student at the University of British Columbia. This man and his wife displayed some interest in the public affairs of the country, which took the form of general support for my candidacy, and when this happened the powers that be in the company went to the man's wife and told her that if she and her husband did not cease and desist there would be no summer employment for her son, employment which had been promised him. If that sort of thing does not constitute a form of wage slavery, then I really do not know what does. I am sure many high-minded members on the opposite side of the house would agree with me that this is not the sort of thing which should be tolerated; but the question is, what are they prepared to do about it?

Just what does the Minister of Finance (Mr. Gordon) do when he enunciates the basic financial and economic policies of the government? These infringements upon civil liberties, these infringements upon the freedom of the mind, these enslavements of Canadian citizens are allowed to go on virtually unchallenged in the name of free enterprise. This is one of the matters on

which members of the New Democratic party find themselves in fundamental disagreement with the government, and with policies and proposals of the kind which are brought forward by the Minister of Finance when he stands up and delivers his budget speech.

Everyone agrees that in a complex industrial society discipline in the productive process is necessary. But we in this party maintain that those who do the controlling and the directing must be responsible for their actions to those who are controlled, if human freedom is to have any meaning, if slavery of the mind and exploitation of the human body and brain are to be brought to an end. This is the state of affairs, however, against which the budgetary policies of the government do not lift even a little finger. Indeed, this particular budget makes it clear that such autocracy is to be continued and even extended.

The budget itself provides one of those occasions when the real difference between those satisfied, well-meaning, do-gooding Liberals and those who subscribe to the social democratic philosophy becomes apparent. The New Democratic party is the only party in Canada which has as a conscious aim the bringing to an end of the exploitation of man by man. We who sit in this house now, and those who will succeed us in the years ahead, will not rest until exploitation has been eliminated from our society. The government and its followers and all the exponents of so-called free enterprise in this country assume that the mainspring of progress must forever be the law of the jungle, with the redness of tooth and claw kept decently out of sight as far as possible. They are content, for the most part, to introduce measures which merely make the fur over the claws a little thicker and a little glossier. Sometimes they even attempt to train the tigers to keep their claws drawn behind the fur. On other occasions they make an attempt to file off the ends of the claws a little so as to blunt them if they do protrude. Then, of course, on occasions, Liberal governments and those who think very much like them, do attempt to add a strand or two to the feeble leashes which are designed to hold the tiger in check; in other words, they bring in such legislation as the combines legislation, the labour laws and the marketing legislation designed to help the farmers. By and large we support these actions because we are humanitarians, too. But let the government know, and let the people of Canada know that we are not satisfied with this sort of thing alone. Specifically, and in direct reference to the budget we are discussing, we disagree completely with the comfortable, complacent "all's well with the world" attitude expressed by the minister in his budget speech. Our want of confidence in this government's budget is complete.

Let me make it clear, however, that our want of confidence is not simply a matter of demanding an election this year or next year. We in this party are quite prepared to accept the verdict of the electorate as it is rendered from time to time in general elections. But we do reserve our right to continue to expose the realities of the situation. This budget is really no different from last year's or from that of the year before. It is no different from any budget delivered by a minister of finance in this house in the last 10, 20, 30 or 50 years. All of them have been weighted in favour of the privileged. All of them have encouraged more people in this country to become bloodsucking leeches in our society.

One of the anomalies, I think, of our history is the fact that the only Canadian prime ministers who have shown any signs of radicalism since the first world war have been Conservatives. Mr. R. B. Bennett was going to blast his way into the markets of the world during the depression. The hon. member for Prince Albert (Mr. Diefenbaker) was going to blast unemployment off the map. Neither of them got very far, and this was because neither of them subscribed to a philosophy which could provide them with a reasoned follow through in policy. And, for that matter, neither of them had a parliamentary army which would have followed them had they tried to do that sort of thing.

Mr. Grafftey: How do you know?

Mr. Barnett: I suppose the truth of the matter is that when I stand up and make this speech I have very little hope of convincing the amiable Minister of Finance over there of the error of his ways.

Mr. Fisher: Just a big tiger.

Mr. Barnett: I hope I have not sounded too wrathful in my denunciation of the hon. gentleman's budget. I must say that if I do feel some wrath it was heightened this year by the failure of the minister to make even the feeblest effort to resolve some of the income tax problems which were discussed last year affecting those who make the greatest effort to provide themselves with income—those who live on salaries and wages. I did have some small hope after the discussion which took place last year that proposals would be made in this year's budget to deal with the grievances which were raised; that there might, indeed, be some proposal to amend section 5 in an appropriate way so as to provide for expenses incurred by those in receipt of wages and salaries. I have been arguing this matter

in the house since I first came here in 1953, and I suppose if I am here in 1973 and the Minister of Finance is still over there I shall probably still be arguing it. Just for the record I will read one of many letters that I have received on this subject from constituents in recent weeks. This letter is addressed to me, and it says:

> I am writing to you, as my elected member of parliament for Comox-Alberni, regarding desired amendments to the Income Tax Act.
>
> Because I am a logger I had to pay out a total of $204.40 in fares last year in getting back and forth to my place of employment. These fares were not paid for holidays but because the operation is closed seasonally. While I was in camp I had to pay board and lodging costs of $536.50. This is a huge sum when you consider that I am at the same time paying $65.00 per month house rent plus additional costs for my own family dwelling elsewhere. Special logging clothes; work boots; hard hat and a rubber rain suit cost me $100 last year.
>
> Please note I have not included cost of regular working clothes which in logging are subject to rapid wear and tear.
>
> As a logging truck driver employed in a logging camp, I not only have the above costs to contend with, but also find that I have an annual cost of $90 replacing broken or worn out tools. I am also finding that every month I am buying some tool to do required maintenance on the new machinery that is coming into my camp. In accepting a job as a truck driver I am required to supply my own tools, so that my fare to camp is increased by $25 every time that my place of employment is changed.
>
> I would like to point out that with recent increases in salaries to M.P.'s, $6,000 was made to be tax free. This money alone is more than I am able to gross each year.
>
> Would you please tell me what steps you have taken or will take during the current session to grant me some relief from this unfair burden.

Mr. Speaker, that is exactly the question I would like to direct to the Minister of Finance (Mr. Gordon), who is in a much better position—

Mr. Fisher: He doesn't care.

Mr. Barnett: —to answer than I am as to what can effectively be done or will effectively be done in this connection. Even if there had been only one little gesture to the people who incur these expenses regularly in the course of earning a fairly modest livelihood, I would have felt a little happier with the budget which the minister has introduced. The only income tax gesture which people such as the man who has written to me are apt to hear much about is that nice little gesture in the minister's proposals to increase to 50 per cent from 30 per cent the annual depreciation allowance on mobile earthmoving equipment. Some of these men will be carting the tools that will be used to repair that equipment from time to time.

So in closing all I can say, in despair of convincing the minister, to those humanitarian members who sit along the back benches across the way and like to talk so loudly about how they want to see greater justice and how they want to see poverty removed is, "Shame on you. How can you go on supporting a government which brings in the kind of budget introduced by the present Minister of Finance?"

Mr. Deputy Speaker: The hon. member for Chambly-Rouville (Mr. Pilon).

Mr. Knowles: Now one of them stands up to confess his shame.

[*Translation*]

Mr. Bernard Pilon (Chambly-Rouville): Mr. Speaker, I must congratulate the Minister of Finance for presenting a budget which is as realistic as it is practical. This year, the emphasis was put on our young people, those who will be called up to play an important role in the economic structure of our country, that generation which will have to face new obstacles and a more advanced civilization, a more complex economic system and more strained relations within confederation.

Mr. Speaker, the figures and statistics given in the budget reflect a sound and growing economy and also show a new vitality, injected by a Liberal policy conceived by clear-sighted and practical businessmen, with the means at our disposal.

The evil of unemployment, in spite of a marked improvement is still an important problem in some eastern sections of the country. It is obvious that in the near future, the steps taken last year and this year will have some beneficial effects. Afterwards, we may enjoy considerably improved conditions and this will greatly contribute to improve our standard of living.

Mr. Speaker, the budget is based on carefully thought out objectives, as mentioned by the minister. Creation of new jobs, steps taken to make sure that the jobs will be filled by well-qualified persons, development and improved economic levels, based on the foresight and ability of our business men, our federal, provincial and municipal authorities.

Our foreign trade has fallen off from 1958 to 1962 and it is essential to regain the share of international markets to which we are entitled. It must be acknowledged that we had been pushed back to the fifth place in that field, whereas in 1957, we were in second place. Every section of our country benefited from this economic recovery. As I said earlier, several factors must be taken into account, more especially our domestic and external markets, our wheat exports, which helped our highway and railway systems, as well as our air transport system. We broke our own records, even in the western provinces where

the recovery was more pronounced thanks to the sustained contribution of our railway systems.

At the outset of my remarks, I said that young people in every part of Canada, those who will eventually replace us later on, will reap the benefits of our legislation. In connection with what I have just said, I should like to emphasize what the late John F. Kennedy said to a group of young people:

> What is important, it is not what our country is doing for us, but what we are doing for our country.

At this stage, Mr. Speaker, I should not like to bore the house by quoting figures and statistics already published and that my honourable colleagues are likely to have seen. I should like now to bring out a point with regard to our constructive legislation.

1. Assistance will be given to our students by way of income tax relief and family allowances;

2. The granting of scholarships. The Liberal party platform mentioned the fact that no Canadian would be deprived of an education for financial reasons. I should like also to emphasize the fact that a new department will give leadership to agricultural classes.

Mr. Speaker, may I mention a few facts which will influence the economic outlook of my riding of Chambly-Rouville: the changes with regard to the St. Hubert air station which will be transferred from the Department of National Defence to the Department of Transport.

One of the important industries in my riding had a record year in 1963. The 3 million bushels of apples harvested in the St. Hilaire and Rougemont area were sold quickly and profitably, thanks to new markets, and there was an increase of 30 per cent over the preceding year.

In another field, that of construction, some 800 new home owners, I did say 800, were added to the already long list of those who benefited from C.M.H.C. loans. A piece of legislation passed last year greatly helped the home owners and the building contractors, which reduced unemployment and gave a new impetus to our building materials industry and the sale of lots generally.

I would like to urge both the Minister of Labour (Mr. MacEachen) and the minister responsible for C.M.H.C. to extend the period during which this grant of $500 is allowed, in order that those eligible for it may take advantage of it. The period from November to March is rather short, considering the demand. Our suppliers of materials and C.M.H.C., in spite of every effort, have not been able to cope with the general demand. Statistics show that the building industry has become vitally important during the past few years. New building contractors have undertaken colossal projects and have acquired the necessary experience to carry them out. They have put the accent on quality of industrial designs and have helped to revive the building materials trade. They have contributed to improve the standard of our skilled workers and have given Canadians houses worthy of them.

I hope that all right thinking Canadians throughout this country will unite so that Canada will not be broken up. On the other hand, claims from the province of Quebec must not be ignored; that province is ready to co-operate provided its constitutional rights are restored and its identity is preserved.

Mr. Speaker, I am sure that we shall reach this goal during the year and that we shall give the lie to the extremists' expectations. I believe in a country made up of confederative states, the economy of which is one. We shall find our strength in our differences, having our eyes fixed upon one goal: Canadian unity based upon equal rights.

[*Text*]

The Liberal party, Mr. Speaker, has made a pledge, and I want this house to rest assured that we believe in unity and that with the understanding of this great nation this goal will be reached, to the benefit of all Canadians.

[*Translation*]

Hon. Paul Martineau (Pontiac-Temiscamingue): Mr. Speaker, it is a bit late. You will no doubt allow me then to show some kindness. I will start by congratulating the hon. member who has just resumed his seat. He deserves some credit for his speech, but mostly for its brevity.

I also wish to be kind to the Minister of Finance (Mr. Gordon); I know that he deserves it. He must be tired by this debate which has not gone too well for him because I think that very few nice things have been said about his masterpiece, last week's budget.

However, Mr. Speaker, I noticed that the minister is concerned about several groups of citizens. For instance, he worried about the free entry of sacramental bread; that is something in his favour. On the other hand, he recommended the repeal of the provisions concerning the size of whisky bottles. Finally, in order that nobody would be neglected, he amended the tariff on disinfectants, fungicides and insecticides. Consequently, everyone should be satisfied.

One might think that the minister wants to be considered as a humourist. He had already displayed his talent of humourist and actor last year when he was busy pursuing the skeletons which he said were hidden away in the taxation closet. But a year has passed

and he does not seem to have found any; he took care not to use these terms which he has stricken from his vocabulary since the notorious events which occurred after June 13, 1963.

If I will be permitted to use a well-worn turn of phrase, I would say that the minister turned himself into a mouse this year. So as not to offend him I hasten to say that I am merely making a metaphor; not for a single minute would I think of comparing his physical appearance to that of a mouse. That is not at all what I mean. Considering the apologetic attitude he took when he introduced this production of his, we, on this side of the house, cannot help make such a comparison. Indeed, he pretended to table a budget but he did not quite make it. One would need Diogenes' lantern to find in that document anything that vaguely resembles a budget.

An hon. Member: You mean Theogene.

Mr. Martineau: Diogenes; not Theogene.

I wonder why he was so shy of showing us his masterpiece. Would it be for fear of offending some of his colleagues, those, for instance—we find some on the front benches who want to keep things as they are. Among the most prominent cabinet members, there are some who almost faint every time changes are suggested. However, if there is someone who may be informed about those matters, surely it is the minister, because we know how his most fervent supporters last year made him the target of their criticisms. Maybe he did not want to offend them. Or then again his shyness might have been due to the fact that, this year, he missed the experts who had come from Detroit and Toronto?

This year, the minister has become a supporter of orthodoxy.

He makes a high-sounding statement of policy. Since the budget is a top secret document, according to tradition, he did not deem advisable to call upon outsiders to take part in its preparation. Hurray for the minister. He is beginning to understand. His timidity might be explained by the fact that, even though he looks grave, he is not fully recovered from the shock he suffered last year when he served us that hotchpotch; maybe he tasted it and found it indigestible. Even though he succeeded in swallowing certain items in that budget, certain ingredients of this hotchpotch, it is possible that they are not completely digested.

And while saying this, I am thinking of the tax on building materials and we are still stuck with it. The same applies to his budget especially as he was under the influence of the ides of March, a period of the year which can be full of unexpected phenomenoms and effects. The minister, scared to death, apologetic and moreover superstitious, even if he says that he is not, presented that masterpiece which I could qualify as a masterpiece of the status quo. And to the house full of anticipation and somewhat apprehensive on account of a past experience, he introduced his freak, this abortive budget. After being an innovator, the minister has become the most eager partisan of the status quo which could be found.

No wonder, therefore, that most hon. members remained dumbfounded at such a display.

On the other hand, I think that the initial surprise and the first moment of amazement having worn off, the inscrutible minister should be asked some questions. Several come to my mind. We could ask the minister why he did not think it appropriate, this year, to abolish his tax on building materials, and production machinery? If he could not abolish it or cancel it altogether, he should at least have prevented it from rising to 8 per cent. Why did he not seize his courage with both hands as he did last year, when as if he had just awakened from a deep slumber, he announced that the full tax would not become effective for some time?

Last year, the minister found as an excuse for this retreat the fact that this tax was "administratively difficult to apply". Therefore, I ask the minister whether this year it became a "administratively easy to apply"? I also ask whether the confusion this tax created in the building field and that of business in general has now completely vanished?

Judging from the briefs from all sections of the country that the minister is still receiving and of which humble hon. members get copies, this confusion still exists, and the builders are still in a state of acute uncertainty because after stocking huge quantities of building materials, etc., in order to avoid the payment of this tax, those people are asking the minister for explanations, but he maintains the same stubborn silence as he did these last few months on that matter.

The minister refuses to see the light and bring the required relief to one of the basic industries of our country, on which depend full employment and the general prosperity of our nation.

At the end of the budget debate, the minister might give us a few answers in this respect.

Now, along other lines, I might ask the minister why he looked after certain special classes of people and why he could not find means to help farmers?

It is true that in reply to a question put to him by some one from this side of the

house, he asked: do they not have any children? Yes, Mr. Speaker, farmers do have children, but they also have particular problems. They are part of one of our country's basic industries. The minister showed a complete lack of interest in the situation of that large segment of our population, whose wheat production especially is now making a substantial contribution towards the solution of one of the problems facing our hon. friends opposite and which he recognizes as the most important, that is the balance of our international payments.

There is nothing in the budget for the farmers; nothing for the worker; nothing for the businessman; and finally no provisions to facilitate property ownership by the people generally. The right of ownership is a basic principle of the Conservative party and it is by favouring ownership that we will be able to preserve our system of free enterprise. The minister did not say one word in this connection. He showed complete indifference, even a hostile attitude towards all those classes of society. I ask him to tell us why?

Why has the budget no provisions to alleviate unemployment? Nevertheless, he is the one who was in favour of full employment in the talks he gave throughout the country, in his programs on television and radio, in his publications and pamphlets, as well as in his famous book. He was supposed to be the one to accomplish this feat of strength.

Today, you can notice his timorous attitude concerning the problem which is at present the most serious one facing the Canadian economy, according to the Prime Minister himself.

At present, there are 400,000 or 500,000 unemployed in Canada. Why is the minister not doing something about it, instead of merely pointing out that the situation is improving? There has been, he said, an improvement.

This improvement is really something fantastic, when one considers the average rate of unemployment, which had risen to 5.9 per cent last year and has now fallen to 5.5 per cent, and this, thanks, as they say—

Some hon. Members: Hear, hear.

Mr. Martineau: —Yes, Mr. Speaker, these gentlemen may well applaud and even smile and make fun of the 400,000 or 500,000 unemployed in this country at this time. But, as I said, if there has been such a microscopic, such a tiny improvement, it is due mainly, as it has been very well recognized, to the dollar devaluation which was, in itself, an initiative that saved Canada. It is also due to the sale of wheat to communist countries, a policy—

Some hon. Members: Hear, hear.

Mr. Martineau: Those gentlemen's cheers are quite in order, Mr. Speaker. As I was saying, a policy launched by those on this side of the house and especially the former minister of agriculture. The Canadian people know what to think about that.

And again, what does the minister intend to do about our balance of payments? Oh, he talks, he makes commendable and pious statements. La Palice himself declared:

We must restore the balance of our payments. We must definitely do it, but what the minister does not say is how we are going to do it. As a matter of fact, he does not give us any indication on this point. He probably thinks that his lucky star, which has for some time shined on high, but which is not as bright at the moment will help him. I have closely examined his budget, but have not found a single solid proposal in it.

What does the minister intend to do, for example, to free this country from public debt charges? In fact, public debt services, for last year and this year, exceed $1 billion. You have there, Mr. Speaker, an astronomical amount, twice as large as the total budget for 1939 and for the sole purpose of paying the interest on the public debt. Nowadays, the federal administration costs twice as much as in 1939.

That is a serious situation which deserves consideration and I am sure the minister is thinking about it. However, he seems to have adopted a do-nothing attitude which is not customary with him and which must surely discourage his best friends.

Mr. Speaker, I should like to know also what the minister intends to do concerning the control of our industry and our business by foreigners. Has he abandoned his aim which was to increase Canadian participation in our industry? Of course, we must not forget that he launched his policy rather clumsily last year when he hastily introduced half-baked measures that he withdrew just as fast. He is quite clear when he defines the objectives we must strive to reach, but when it comes to suggest means of doing so, his statements are most obscure.

He speaks of fiscal measures to achieve these objectives, but then he withdraws the withholding tax on dividends paid to non-residents. Concerning the withdrawal of this tax, however difficult this action was for the minister, we must congratulate him for it, and we fully agree with him, because last year, one member after the other called for the withdrawal of this discriminatory tax which did not meet the purpose it was meant to. On the contrary.

But we cannot follow the argument of the minister when he gives his excuse for the

withdrawal of this tax. He mentions vaguely the fact that taxes have been lowered in the United States. He speaks also of the American parent corporations which will pay only 48 per cent tax on their income in 1965, which is the equivalent of a 15 per cent withholding tax.

Mr. Speaker, if you have lost the thread of my argument, I do not blame you. It is precisely the point that I would like to make. You cannot understand me because I am using the very same words used by the Minister of Finance. That is why you do not follow my argument, and I wonder what he is talking about when he gives the reason or rather the excuse that this is a new factor, which is not true, since this concerns the corporate tax cut in the United States. As a matter of fact, it is not new because last year, or more precisely last June 13, when the minister brought down his budget, the U.S. senate had been asked to approve tax cuts. And I would like the minister to give us suitable explanations in that connection.

Mr. Speaker, there are several other questions which remained unanswered. And, in order to be objective, I must also direct other questions to the minister.

Why did he fail to take necessary steps in order to cut government expenditures? Why did he not see fit to cut taxes? And finally, why does he announce, for the fiscal year 1964-65, a deficit of nearly half a billion dollars?

Let us start by considering the matter of deficits. At the outset of his budget speech, the minister said that the economic climate had never been better. He saw everything through pink glasses and said that business was doing better and better.

In the past, the minister used to say that deficits could not be used except when the economy was slowing down. As a matter of fact, it is the theory of the pump primer. The Minister of National Health and Welfare (Miss LaMarsh) knows what is meant by the theory of the pump primer.

The minister said that we were entering upon an unprecedented era of prosperity. And yet, he predicted a deficit of half a billion dollars. If the minister is unable to balance the budget when, according to him, we are living in an unprecedented era of prosperity, I wonder how he will ever manage to balance it. If the minister is the least consistent and logical—I know he is, but then he must have the courage to show it in his actions—in short, if his premises are sound, he should have introduced a balanced budget this year. Otherwise, his basic argument crumbles and the Canadian people can have no faith in his theories, because one cannot look at the dark and the bright side of everything at the same time. And yet, what the minister does not say is that he sees mostly red on account of a $500 million deficit.

An hon. Member: Ten o'clock.

Mr. Martineau: Mr. Speaker, I have a few remarks to make concerning tax cuts. We emphatically demand tax cuts. We, on this side of the house, are supporters of fiscal responsibility, and that is why we are asking for a relief in taxation. We know that taxation relief means renewed activity and an incentive for the whole economy, a stimulus for private enterprise, from which results a larger basis for taxation.

Mr. Speaker, may I call it ten o'clock?

[*Text*]

BUSINESS OF THE HOUSE

Mr. Churchill: May I ask the house leader if there is any change forecast for tomorrow?

Mr. Favreau: There are no changes forecast for tomorrow. We will be proceeding with the supplementary estimates, after which—

Mr. Gordon: The budget debate.

Mr. Favreau: Oh, yes, that is what I meant, the budget debate tomorrow.

Mr. Knowles: Status quo ante.

Mr. Favreau: I was thinking in terms of Wednesday. I am living too fast, Mr. Speaker.

Mr. Knowles: For a Liberal to be a day ahead is pretty fast.

At ten o'clock the house adjourned, without question put.

HOUSE OF COMMONS

Tuesday, March 24, 1964

The house met at 2.30 p.m.

VACANCY

Mr. Speaker: I have the honour to inform the house that I have received a communication notifying me that a vacancy has occurred in the representation, namely of Hon. John Richard Garland, member for the electoral district of Nipissing, by decease.

Accordingly I have addressed my warrant to the chief electoral officer for the issue of a new writ of election for the said electoral district.

CONSUMER CREDIT

APPOINTMENT OF COMMONS MEMBERS OF JOINT COMMITTEE

Mr. J. E. Walker (York Centre) moved:

That the members of the House of Commons on the joint committee of the Senate and House of Commons to inquire into and report upon the problem of consumer credit, approved March 9, 1964, be composed of: Messrs. Bell, Cashin, Chretien, Clancy, Coates, Cote (Longueuil), Crossman, Deachman, Drouin, Greene, Gregoire, Hales, Miss Jewett, Macdonald, Mandziuk, Marcoux, Matte, McCutcheon, Nasserden, Orlikow, Pennell, Ryan, Scott and Vincent.

Motion agreed to.

CRIMINAL CODE

AMENDMENT PROVIDING PENALTIES FOR CONTRAVENTION OF BILL OF RIGHTS

Mr. Reid Scott (Danforth) moved for leave to introduce Bill No. C-82, to amend the Criminal Code (human rights and fundamental freedoms preserved).

Some hon. Members: Explain.

Mr. Scott: Mr. Speaker, the purpose of this bill is to create an offence under the Criminal Code whereby, should any persons do any acts which contravene the provisions of the bill of rights, they would be subject to prosecution under the Criminal Code and liable to a sentence of up to 14 years. It is my hope that if we enact this bill the disgraceful events of last week in my own province of Ontario will never be repeated.

Motion agreed to and bill read the first time.

CANADIAN BROADCASTING CORPORATION

PROGRAM "THE OPEN GRAVE"—STATEMENT AS TO PRESENTATION

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I would direct a question to the Secretary of State in connection with the matter I raised yesterday in endeavouring to have the house adjourned, namely the showing of a film, a preparation of the C.B.C. entitled "The Open Grave". My understanding is that consideration was given to whether or not it should in fact be shown, regard being had to the tremendous revulsion of feeling across the country. Is the minister in a position to advise what is the state of affairs?

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, I will be glad to try to answer this question and some others asked yesterday about this matter. As I undertook yesterday in the house, I communicated to the president of the C.B.C. the various views expressed to me by hon. members inside or outside the house. I also told Mr. Ouimet that in so far as I was concerned the decision whether or not the program should be shown was to be made exclusively by the C.B.C., and that I would not exercise any pressure to affect the independent judgment of the management of the corporation.

After consultation with his advisers, Mr. Ouimet communicated with me again a few moments ago to inform me that the management of the C.B.C. had decided to go on with the program as scheduled.

I should like at this stage to recall what the hon. member for Digby-Annapolis-Kings had to say in 1962 on this general matter—

Some hon. Members: Oh, oh.

Mr. Pigeon: It was not about the same case.

Mr. Lamontagne: —when he was the minister responsible for the C.B.C. This is what he said, as reported on page 857 of *Hansard*:

—it has been the policy of this government from the beginning, as it was the policy of the previous government and as I hope it will always be the policy of federal governments, not to interfere with the programming of the C.B.C.

The hon. gentleman went on to say:

—if we were to start interfering with the programming of the C.B.C. we would be laying the foundation for either a fascist state or a communist state.

Mr. Diefenbaker: Mr. Speaker, did the hon. gentleman communicate that information to the Minister without Portfolio in his own cabinet, who gave his views on this subject the other day?

Mr. R. N. Thompson (Red Deer): Mr. Speaker, my question is directed to the Prime Minister. Is it the intention of the government to take the lead in setting up a special parliamentary committee so that matters relating to the Canadian Broadcasting Corporation and the over-all related welfare of the nation can be properly discussed instead of having them brought up on orders of the day in a piecemeal fashion, as has been the case in connection with the program "The Open Grave"?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, the question of setting up a committee in some form or other to examine such aspects of the work of the C.B.C. is now under active consideration, and I hope an announcement will be possible very shortly.

LABOUR RELATIONS

GREAT LAKES—U.S. CO-OPERATION TO AVOID INTERFERENCE WITH SHIPPING

On the orders of the day:

Hon. Michael Starr (Ontario): Mr. Speaker, may I direct a question to the Minister of Labour. Will the minister advise what specific action the United States government and/or the United States department of labour promised the Canadian government they would take to end harassment of Canadian ships in the United States ports when the shipping season commences?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, I have not been in touch with the United States secretary of labour or the United States labour department in recent days or weeks on this particular subject.

Mr. Starr: As a supplementary question, will the minister contact these people in order to get some specific promise, in view of the fact that the shipping season will be starting in another two or three weeks?

Mr. MacEachen: Mr. Speaker, the views of the government have frequently been discussed with the secretary of labour and the labour department of the United States. They realize how necessary co-operation is in controlling the situation on the American docks, and I am sure that within United States law that co-operation will be forthcoming.

[Mr. Lamontagne.]

Mr. Starr: As a further supplementary question, did the United States government at any time make any specific promise on its part to end the harassment of Canadian ships in United States ports on the great lakes?

Mr. MacEachen: I do not understand what is meant by a specific promise. I do know that the United States authorities have assured us of co-operation, and during the last shipping season they indicated their willingness to carry out that co-operation by certain actions taken by the national labour relations board and the department of justice in the courts in Chicago.

Mr. Starr: Does the minister feel that whatever action has been taken and this co-operative effort are things that are worth while and that will end the situation?

Mr. MacEachen: Mr. Speaker, as the hon. gentleman knows, this harassment has been of long standing character, and prevailed during his term as minister of labour. It is a problem that is related to interunion activities of the two countries and interunion activities in the United States. Within the limits of United States law I am quite convinced that co-operation will be forthcoming.

[*Translation*]

Mr. L. P. Antoine Belanger (Charlevoix): Mr. Speaker, I should like to put a question to the Minister of Labour.

Has the minister received or not a formal assurance from representatives of the U.S. government that the United States will take action to prevent the boycotting of Canadian ships on the great lakes and in American ports following the dismissal of Hal Banks?

[*Text*]

Mr. Speaker: Order. It seems to me that this question was asked yesterday; or if not then, the day before.

EXTERNAL AFFAIRS

CYPRUS—INQUIRY AS TO APPOINTMENT OF MEDIATOR

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I ask the Prime Minister whether he has any report to make regarding the appointment of a mediator in Cyprus, and can he say under what terms of reference the mediator has been appointed? May I also ask the Prime Minister whether he has seen the press report which was carried on the C.B.C. news last night, to the effect that a group of 120 Canadians on a familiarization tour of Cyprus was prevented from entering the town of Limassol by a British

major, who advised the Canadians that the townspeople might think they had arrived in an operational role and would then be disappointed when they left, thus destroying the United Nations peace force image?

I would also like to ask the Prime Minister if this is a breakdown in communications and liaison; and since when has a major in the British army been given the authority to interpret the role of the United Nations force in Cyprus?

Right Hon. L. B. Pearson (Prime Minister): On the last point, Mr. Speaker, I would not interpret the reported incident in that way, but when I saw the report of the incident I made inquiries and I am awaiting a report from our people on the spot.

So far as the appointment of a mediator is concerned, it is expected that that appointment will be confirmed within a few hours, if it has not already been formally confirmed. The mediator is a very distinguished representative of Finland who has been minister of trade and commerce, minister of finance and prime minister of that country. In addition he has been the ambassador of Finland in London and has already done important service to the United Nations in Laos. He seems to be eminently qualified for this very difficult and important function, and I understand he will be taking up that function very shortly.

Last evening the Secretary of State for External Affairs discussed the problems regarding the formal authority for the force with the commander of the force, General Gyani, who is in Geneva and who is on his way to Cyprus, if he has not already reached there. It is expected that an announcement will be made regarding this matter very, very shortly.

Mr. Douglas: Mr. Speaker, I agree with the Prime Minister's statement about the excellent qualifications of the mediator who is likely to be appointed, but can the Prime Minister tell us whether we will be able to secure the terms of reference within which he will operate in seeking to bring the parties together?

Mr. Pearson: Yes, Mr. Speaker. I hope to be in a position to make those terms known to the house before we adjourn.

RUSSIA—REFUSAL TO PERMIT ENTRY OF PASSOVER BREAD

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, this is a matter of some urgency to the Jewish communities across our country, and I therefore direct the question to the right hon. Prime Minister. These people are justly aroused over the denial by the U.S.S.R. of the importation of sacramental Passover bread; I think the proper name for it is matzoth. Has the government communicated with the ambassador to the U.S.S.R. to point out the feeling of Canadians that this is most unfair and is in contravention of the charter of the United Nations, which assures freedom of religion?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I was as disturbed as is the right hon. gentleman to hear that it may be difficult again this year for the Jews of the Soviet union to receive unleavened bread for the feast of the Passover. I know how important it is for members of the Jewish faith to have especially prepared bread for this religious festival.

I do not have at my disposal all the facts, nor do I know the situation inside the Soviet union regarding this particular matter, but we are making inquiries. It is not entirely clear whether the Soviet authorities intend to stop gifts of matzoth from abroad. However, we have cabled our ambassador in Moscow asking him to make inquiries, as I have indicated, and to let the Soviet authorities know that this is a matter of great concern to the Jews of Canada and to broad sections of the Canadian public. I appreciate that the holiday season starts at the end of this week and it is therefore a matter of urgency whether anything can be done to improve what appears to be an unhappy situation.

Mr. Diefenbaker: Mr. Speaker, the information I have—and I am sure the Prime Minister has this too—is that the Soviet authorities are refusing to allow such gifts this year. I believe in one case they refused a shipment from the chief rabbi in London, England. They refused to allow it to land, or announced in advance that it would not be allowed to land. As soon as the Prime Minister has some information on this matter, will he let the house know?

Mr. Pearson: Yes, Mr. Speaker. That is what the ambassador has been instructed to look into.

TRADE

PULPWOOD—REPORTED PROHIBITION OF EXPORTS FROM QUEBEC TO ONTARIO

On the orders of the day:

[*Translation*]

Mr. Real Caouette (Villeneuve): Mr. Speaker, may I direct a question to the Minister of Justice?

Has the minister received representations from individuals, industrial corporations or any province about Quebec's decision to control lumber exports to any Canadian province and, if so, what action does he intend to take?

Inquiries of the Ministry

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, I may tell the hon. member that I am having that matter investigated and that I hope to be able to give him an answer before the adjournment of this session.

[*Text*]

AUTOMOBILE PARTS—REPORTED REFUSAL OF U.S. SUBSIDIARY COMPANIES TO SHIP TO CHINA

On the orders of the day:

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, yesterday the hon. member for Burnaby-Coquitlam asked me three questions relating to the export of automobile parts to China, and I should like to answer them seriatim.

First, he asked if I had received any complaints from Canadian exporters with regard to the refusal of automobile companies in Canada which are subsidiaries of United States automobile manufacturers to supply automotive parts for export to China. As I said yesterday, I was unaware of any complaints but I found that last summer I had received a complaint from one Canadian exporter, whose name I believe was Mr. Grinkus of Gain Import Company Limited, who was unable to obtain a supply of certain types of automotive parts for export to mainland China, stating that the difficulties experienced were attributable to a refusal of subsidiaries in Canada of United States automobile manufacturers to supply parts for export to China.

The second question asked whether this refusal is based upon the declared policy of the United States government. In reply to that I would only say that no information is available on this matter other than that provided at the time by that exporter. Accordingly I have some difficulty in answering the question whether there has been such a refusal on the part of the automobile manufacturers in question and, if so, what their reason may have been.

His third question asked if so, does the minister consider this action to be a violation of Canada's right to exercise control over its own economy? If the parts concerned had been of United States origin, of course no Canadian export permit would have been given for their re-export to mainland China. This is the policy of the Canadian government, and I do not think in any sense it is a violation of Canada's right to control its own economy. This is the exercise of its own right. If the parts were of Canadian origin it is possible, although I have no information other than that provided by the exporter himself, that they might have been available from sources in the market other than the manufacturers which are subsidiaries of United States companies. However, one of the difficulties in answering this question is that we have no information on this other than the word of the exporter himself.

May I add this, Mr. Speaker. As the hon. member may be aware, arrangements were agreed to some years ago between the United States and Canadian governments for consideration to be given by the United States government to an application for a foreign assets control licence by a United States parent company arising out of a transaction which might have been consummated in Canada. In recent years there has been no request from a Canadian automobile manufacturer for our intercession in support of a parent company's application for an F.A.C. licence, and accordingly it may be that the companies have other reasons if they have refused to supply the exporter in question.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I ask the minister whether he would have his department get in touch with the Canadian automobile manufacturers, particularly Ford, General Motors and Chrysler, to see if it is their stated policy to refuse to sell parts to exporters who are exporting outside the commonwealth. Is this part of their stated policy and, if so, what is the reason for such a policy?

Mr. Sharp: Mr. Speaker, I might make inquiries about that, but I would rather have, in order to make a proper inquiry, an order which is to be filled. Because if I contact them and ask them what their policy is they will say, what is the order for? I do not believe it would be in the public interest to give such general answers. I think they only confuse the issue, but if the hon. member has an order that has been refused I shall be happy to investigate.

Mr. Douglas: But the minister received a letter from Mr. Grinkus to which he referred, dated June 27, 1963, stating he had an order for crankshafts and other parts of trucks and cars for export, but it was refused by the United States parent companies of Canadian subsidiaries.

Mr. Sharp: My understanding, although I hesitate to speak from memory now, is that the automobile companies did not have actual orders to fill. They were inquiries.

Mr. Stuart A. Fleming (Okanagan-Revelstoke): As a supplementary question, are there any Canadian government restrictions on the export sale to mainland China of farm machinery manufactured in Canada but which may include some United States components?

Mr. Sharp: I think this question, Mr. Speaker, should be put on the order paper, perhaps with the specific indication of the

article in question, because it does depend on the degree of United States participation in the manufacture.

Mr. Fleming (Okanagan-Revelstoke): I rise on a question of privilege, Mr. Speaker. This question was on the order paper. It was purported to have been answered yesterday, but the answer was so narrow in its interpretation and so restrictive that it contains no information of use. I would now like what I might call a supplementary answer.

Mr. Sharp: I answered this question very carefully. The question put on the order paper was in most general terms, and it was answered in the terms in which it was asked.

Mr. Fleming (Okanagan-Revelstoke): Mr. Speaker, in order to defend the question which the minister contends was asked in most general terms—

Mr. Speaker: I am sorry to interrupt the hon. member, but important as the question is, perhaps he could rephrase it and put a new question on the order paper, as time is moving on and this is developing into a debate.

Mr. Fleming (Okanagan-Revelstoke): The only thing I can suggest to you, Mr. Speaker, is that if this is the answer to the second portion of my question, which refers to farm machinery including United States components, the answer I got—

Mr. Speaker: Order, please. This illustrates the difficulty. The hon. member for Winnipeg South Centre.

Mr. Fleming (Okanagan-Revelstoke): Are you afraid of it over there?

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I regret that I have to rise now on a question of privilege. I have just read the question and I draw Your Honour's attention to it. The second part of the question was:

> Are there any restrictions on Canadian manufactured farm machinery including American components?

And the answer given was:

> Answered by 1.

—which simply says—

> An export permit is required to export goods to any country included in the area control list, which includes mainland China.

This afternoon the minister gave a different answer to a question which was similar to the second part of the question previously put on the order paper. If we cannot rely on the answers given by the ministers, then where are we? We have to have clear, precise and accurate answers; otherwise there is no use in asking oral questions or putting questions on the order paper.

REPORTED U.K. PROPOSALS RESPECTING PREFERENTIAL TARIFFS

On the orders of the day:

[*Translation*]

Mr. Real Caouette (Villeneuve): Mr. Speaker, my question is directed to the Minister of Trade and Commerce.

Can the minister tell the house what stand the members of the Canadian delegation are taking with regard to the British proposals to abolish preferential tariffs? For instance, is Canada ready to grant developing countries the same privileges as Great Britain with regard to the preferential tariff?

[*Text*]

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, I assume the hon. gentleman is referring to the United Nations conference which is just under way and at which my colleague the Secretary of State for External Affairs is the Canadian delegate. There is a proposal before the conference for a new system of preferences in favour of the underdeveloped countries by the industrialized world. This proposal is under discussion, and I think we should wait for a report from the Canadian delegate before replying to that question.

HOUSE OF COMMONS

COMPLETION OF TRANSLATION OF BEAUCHESNE

On the orders of the day:

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, may I put a question to the Prime Minister?

Is the Prime Minister aware that the French translation of Beauchesne's Parliamentary Rules and Forms is finished and, if so, is it true that he intends to offer it as an Easter gift to French speaking members who are up against parliamentary procedure?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I was not aware, and I am grateful to my hon. friend for informing me of the fact, that the translation has been completed. If it is completed I hope we can make the French version available to members at once. I will look into the matter immediately.

DIVISION BELLS IN WEST BLOCK—INACCURATE CLOCKS IN CHAMBER

On the orders of the day:

Mr. Charles J. M. Willoughby (Kamloops): Mr. Speaker, I would like to ask the Minister of Public Works if he would please undertake

to see that the division bells in the west block are corrected, because they are absolutely silent all the time. We do not hear those bells in any case.

Hon. J. P. Deschatelets (Minister of Public Works): I shall do this with pleasure, Mr. Speaker, because a few days ago I nearly missed a vote myself.

Mr. Barry Mather (New Westminster): Mr. Speaker, I have a question which I would like to direct to the Minister of Justice in his capacity as the house leader.

Mr. Speaker: Order. Surely the question of the bells is not that urgent.

Mr. Mather: Mr. Speaker, I would like to ask the Minister of Justice, in his capacity as house leader, whether the fact that the chamber clock overlooking the cabinet benches is running one hour fast today is symbolic of the government's realization that it is later than they think?

ROYAL VISIT

REPORTED DANGER TO QUEEN IN QUEBEC

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I desire to direct a question to the Prime Minister. I do so as a socialist but also one not ashamed upon occasion and under certain circumstances to be a monarchist. I desire to ask the Prime Minister if his attention has been drawn to the following statement which appeared in the March 23 issue of the Montreal newspaper *Le Devoir*:

> The army of liberation of Quebec has "ordered" yesterday the Queen not to present herself on Quebec territory..."unless she is aspiring at being the first British sovereign to die on the Quebec earth".

Although similar questions have been asked before, I ask this question because in spite of all the security measures taken in the United States, a fanatic killed the president. In Canada we do not want a fanatic of any kind killing the Queen of Canada and the commonwealth. In view of these continued threats I ask the Prime Minister what special attention is being given to the matter of whether or not the Queen should come to Canada, particularly to Quebec, and what protection will be afforded her in view of all these threats.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, my attention has not been drawn to this statement, which I consider to be a very vicious one representing only a very small minority of the people of Quebec.

Mr. Churchill: It does not take many.

An hon. Member: Only one.

[Mr. Willoughby.]

Mr. Pearson: I am quite aware that a very small minority, indeed a minority of one, can do a lot of damage. There have been tragic examples of this fact. But I can assure my hon. friend and the house that when Her Majesty comes to Canada she will receive every security protection that is possible, and I am sure her visit will be both a happy and a safe one.

Mr. Arnold Peters (Timiskaming): In view of the fact that more harm than good may come from the Queen's visit, does the government not think it might be advisable to postpone the visit this year?

Mr. Pearson: I think it would be shameful to surrender to this kind of minority and vicious propaganda.

Some hon. Members: Hear, hear.

Mr. T. C. Douglas (Burnaby-Coquitlam): While I agree with the Prime Minister's statement, I would like to ask the Minister of Justice what steps are being taken by the Royal Canadian Mounted Police to apprehend the people who are making such statements as well as the persons responsible for the recent theft of arms from a number of armouries.

[*Translation*]

Mr. Real Caouette (Villeneuve): Mr. Speaker, I rise on a question of privilege in regard to statements pertaining to the Queen's forthcoming visit which were made a short while ago and which, in my opinion, reflect on all hon. members from Quebec. I should like to say to the house that the people of Quebec are just as civilized as anybody else and that the Queen will be as welcome in our province as anywhere else in Canada. She will be greeted cordially.

If there are fanatics in Quebec, the other provinces have their share of them also. Why must some people constantly attack our province with regard to the forthcoming visit of the Queen of Canada.

[*Text*]

PENSIONS

COMPARISON OF CANADA PLAN AND REPORTED QUEBEC PLAN

On the orders of the day:

Mr. Eric A. Winkler (Grey-Bruce): Will the Prime Minister inform the house whether Premier Lesage has presented a pension plan for adoption in the province of Quebec which is deemed by the government to be equal to the Canada pension plan?

Right Hon. L. B. Pearson (Prime Minister): I cannot very well answer that question on orders of the day and make a comparison of

the two pension plans, one provincial and one national. We will be discussing these matters next week.

Mr. Winkler: Is the Prime Minister aware of the fact that this is the criterion which is outlined in the present bill? I think the house has a right to know.

Mr. Pearson: Yes, I am quite aware of that important fact, Mr. Speaker.

Hon. George C. Nowlan (Digby-Annapolis-Kings): May I ask a supplementary question. Can the Prime Minister advise the house if the government has approved a proposed Quebec bill as being equivalent to the pension bill which is now before this house?

Mr. Pearson: No, Mr. Speaker, we have not approved a bill. Indeed, it would be quite improper for us to approve it.

Mr. Diefenbaker: Has one been submitted to the government, or are they just proceeding on a nebulous uncertainty?

Mr. Pearson: No, we are not proceeding on a nebulous and uncertain hypothesis. The text of the bill has not yet been submitted to the federal authorities.

Mr. Mandziuk: Would the Prime Minister care to comment on the point of allowing or disallowing such a Quebec pension scheme?

Mr. Pearson: I am surprised that any hon. member of this house would suggest that the government should disallow a Quebec pension bill.

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, may I ask the Minister of Justice a supplementary question?

Could the minister tell the house whether, according to the Canadian constitution, the provinces, including Quebec, have the right, the same as the federal government, to establish a pension fund?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, in my opinion just reading the bill will clearly indicate the government's view on that point.

Mr. Pigeon: On a point of order, Mr. Speaker. I asked the Minister of Justice a very specific question, namely whether the provinces have the same right as the federal government to set up a universal pension plan?

[*Later:*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I should like to direct a question to the Prime Minister. Could he tell us whether he is supporting the hon. member for Drummond-Arthabaska (Mr. Pepin) when he makes the following statement:

> A health insurance plan is more important than a retirement fund plan for the province of Quebec.

[*Text*]

Mr. Pearson: I do not think I am called upon to answer that question, endorsing a statement made by a private member in his private capacity.

UNITED NATIONS

RUSSIA—REFUSAL TO SHARE COST OF PEACE KEEPING OPERATIONS

On the orders of the day:

Hon. Paul Martineau (Pontiac-Temiscamingue): I have a question for the Prime Minister. Did the Prime Minister's statement of yesterday concerning the refusal of certain nations to share the costs of peace keeping operations take into consideration the compromise plan brought forth by Britain and the United States to avoid an otherwise serious struggle within the United Nations?

Right Hon. L. B. Pearson (Prime Minister): Yes, Mr. Speaker; if some arrangements can be made by which those members in default will pay up at least part of their deficit before the date in question, the action that was suggested by me yesterday as being required under article 19 of the charter would not be necessary.

DOMINION-PROVINCIAL RELATIONS

SUGGESTED ESTABLISHMENT OF SECRETARIAT

On the orders of the day:

Mr. Heward Grafftey (Brome-Missisquoi): I have a question for the Prime Minister. Will the federal government make any specific, and I underline the word "specific", suggestions or proposals at the forthcoming federal-provincial conference for the establishment of a secretariat or similar body for federal-provincial affairs?

Right Hon. L. B. Pearson (Prime Minister): We had a most useful discussion on this subject at last November's meeting and that discussion will be continued at the forthcoming meeting. Perhaps out of it will come agreement on how best to maintain liaison between conferences.

CANADIAN NATIONAL RAILWAYS

MATANE-STE. ANNE DES MONTS LINE—POSSIBLE REPLACEMENT

On the orders of the day:

[*Translation*]

Mr. Alexandre Cyr (Gaspe): Mr. Speaker, I should like to direct a question to the

Minister of Transport. Could he tell the house whether he has a definite compensating program, in view of the cancellation of plans to go ahead with the construction of a railway line between Ste. Anne des Monts and Matane?

Mr. Vincent: A change of government.

[*Text*]

Hon. J. W. Pickersgill (Minister of Transport): While there is not yet a definite and final program to replace the railway which parliament provided for and which the government decided would not serve the transportation needs and other economic interests of the northern part of the Gaspe as well as other means of transport, the government has entered into discussion concerning arrangements to make a substantial contribution to the provincial highway in order to speed up the completion of a modern heavy duty highway. My colleague the Minister of Public Works, my colleague the Minister of Citizenship and Immigration and I met the minister of roads of Quebec the other day in this connection.

The government is also giving consideration to harbour improvements and to improvements in air facilities which we believe will serve this region better than the proposed railway.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): I would ask the hon. minister this. Is it within the authority of the government, without having an act passed by parliament to repeal an existing statute, to refuse to carry out the terms of a statute which has been passed by parliament? I should like to know the hon. gentleman's views on this, because he is quite a constitutional expert.

Mr. Pickersgill: I would certainly not be nearly as competent to answer that question as would the right hon. gentleman. However, he is asking me for a legal opinion, and it is contrary to the rules for any minister to give a legal opinion in the house. I would be interested to hear any views which the right hon. gentleman has on the subject.

Mr. Diefenbaker: I am not giving the hon. gentleman my views, but may I say this. I think it constitutes an affront to parliament for a minister of the government to say "We do not intend to follow a statute which was passed by parliament for the simple reason that we have another plan".

Mr. Erik Nielsen (Yukon): A supplementary question with respect to the minister's remarks concerning air policy and the implication that it is being tackled on a piecemeal basis. Will the hon. gentleman assure the house that he will consult with national aviation organizations before establishing a national air policy in this country?

Mr. Pickersgill: I do not see that this is much of a supplementary question. However, I can tell the hon. member that I have already discussed this matter with a great many of the national organizations concerned with air transport in this country.

Mr. Nielsen: On a question of privilege—

Some hon. Members: Oh, oh.

Mr. Speaker: Order. I think we have pursued that subject far enough. This is developing into an argument between two hon. members, and surely we have better things to do.

Mr. Nielsen: On a question of privilege, the minister has smuggled into his reply a reference to the legitimacy of my question. My supplementary question was perfectly proper, because it was the minister himself who raised the question of air policy, not me.

Mr. Pickersgill: Since the hon. member has chosen to make this a question of privilege, let me say I did not mention air policy at all in my answer to my hon. friend from Gaspe. I said that consideration was being given to providing certain air facilities in one particular region, and that obviously is not air policy.

[*Later:*]

Mr. E. Nasserden (Rosthern): Mr. Speaker, I have a question for the Minister of Transport. In view of the minister's remarks today, regarding assistance for highway construction, do his remarks indicate it is government policy to provide additional assistance to highway construction anywhere in Canada?

Mr. Pickersgill: Mr. Speaker, I do not think that would be a correct inference to draw from my statement.

HEALTH AND WELFARE

EXTENSION OF HOSPITAL INSURANCE TO COVER MENTAL ILLNESS AND TUBERCULOSIS

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister. Would the right hon. gentleman care to confirm in this house the view which he is reported to have expressed yesterday when he addressed a conference on mental health. In particular, is the government considering including treatment for mental illness within the terms of the Hospital Insurance and Diagnostic Services Act? Could the Prime Minister say, at the same time, whether a similar course might be followed with respect to treatment for tuberculosis?

Right Hon. L. B. Pearson (Prime Minister): Perhaps I should send the hon. gentleman a text of what I said. As will be seen from the text, I said that this aspect of the matter was under consideration and would be under consideration next week, in connection with certain shared cost programs, at the federal-provincial conference.

COMPOSITION OF COMMITTEE TO STUDY HARMFUL EFFECTS OF DRUGS

On the orders of the day:

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): Mr. Speaker, on March 12 the hon. member for Simcoe East asked me a question regarding the establishment and composition of a committee my department was setting up to investigate the drugs parnate, parstelin and parstelin S_2.

I am happy to report that I am now able to give the house a further reply. A committee has been set up consisting of the following: Dr. K. I. Melville, professor of pharmacology, McGill University; Dr. K. J. R. Wightman, professor of medicine, University of Toronto; Dr. T. L. Sourkes, associate professor of biochemistry, Allan memorial institute, McGill University; Dr. D. R. Gunn, director of chemical research, Ontario hospital, New Toronto, and Dr. H. B. Durost, director of medical services, Verdun Protestant hospital.

The first meeting of this committee is scheduled for April 6 and another for April 27. We expect that they will submit a report of their findings very shortly thereafter.

LABOUR CONDITIONS

QUEBEC—EMPLOYMENT FOR WORKERS LAID OFF FOLLOWING MERGER

On the orders of the day:

[*Translation*]

Mr. Raymond Langlois (Megantic): Mr. Speaker, I should like to put a question to the Minister of Labour. What steps does the minister intend to take in order to ensure an equitable income to the 600 employees of the Asbestos Corporation and the Johnson's Company Limited of Thetford Mines and Black Lake that have just been merged, a fact which will involve the dismissal of 600 employees in the very near future?

[*Text*]

Hon. A. J. MacEachen (Minister of Labour): I will ask the national employment service to assist the displaced employees in any way in which its services can be useful.

[*Later:*]

[*Translation*]

Mr. Langlois: Mr. Speaker, I should like to direct a question to the Minister of Industry and Minister of Defence Production.

In view of the fact that 600 men have been laid off by mining companies at Thetford Mines and Black Lake, is it the intention of the minister to create secondary industries in that district so as to provide employment for the largest possible number of people and to boost the local economy since the district is already considered as a designated area?

[*Text*]

Mr. Speaker: That question should be put on the order paper.

[*Later:*]

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, I was rising to answer the question which is to be put on the order paper.

Mr. Langlois: Mr. Speaker, I believe the minister is referring to the answer to my question, and since he is ready to answer it perhaps you would allow him to do so.

Mr. Drury: Mr. Speaker, I share your view that it would be more proper to put it on the order paper.

REQUEST FOR EXTENSION OF WINTER WORKS PROGRAM

On the orders of the day:

[*Translation*]

Mr. Lucien Plourde (Quebec West): Mr. Speaker, I wish to direct a question to the Minister of Labour.

Is the Minister of Labour aware of the fact that certain municipalities hiring workers under the winter works legislation are paying them with vouchers good only for groceries?

[*Text*]

Hon. A. J. MacEachen (Minister of Labour): No, Mr. Speaker.

[*Translation*]

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

Since several cities in Canada, including Joliette, will not be able, for lack of time, to complete all their winter work projects, does the minister propose to extend the winter work period beyond April 30.

[*Text*]

Mr. MacEachen: No, Mr. Speaker.

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I would like to put a supplementary question to the Minister of Labour. Does he intend to extend the winter work period in areas handicapped by climatic conditions which, in view of that fact, are discriminated against compared to areas enjoying a more temperate climate which can carry out their winter work programs within the prescribed period?

[*Text*]

Mr. MacEachen: No, Mr. Speaker.

[*Translation*]

Mr. Gregoire: Mr. Speaker, I would like to ask a supplementary question—

[*Text*]

Mr. Speaker: Order, please. I have grave doubt that the question of the hon. member for Lapointe was in order. It seems to me this question has been asked several times during the present session.

[*Translation*]

Mr. Gregoire: In that case, I shall ask a supplementary question which will be in order.

Does the Minister of Labour intend to investigate that matter and seek an appropriate solution to promote or, at least, in order to balance out the winter work program benefits in the regions of Canada with a more severe climate which, as a result, have the highest level of unemployment?

[*Text*]

Mr. MacEachen: Mr. Speaker, I will ask the officers of the department to investigate the operation of the program to ascertain whether in any area it has placed any municipality in a disadvantageous position. After that investigation we shall be glad to consider this question.

D.E.W. LINE—ENFORCEMENT OF DECISION RESPECTING BARGAINING AGENT

On the orders of the day:

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, may I answer a question asked yesterday by the hon. member for Northwest Territories with respect to the status of the international brotherhood of electrical workers as bargaining agent for the Federal Electric Company.

The facts are that last November this union was certified for a group of employees. Later the following month the Federal Electric Company moved to quash the certification of the Canada labour relations board. However, I understand that yesterday the judgment of the court of Queen's bench of Manitoba on this matter was handed down and that the status of the bargaining agent has not been affected in any way. In the absence of any unforeseen development, the way would now appear open for collective bargaining between the company and the certified bargaining agent.

Mr. Gene Rheaume (Northwest Territories): A supplementary question, Mr. Speaker. Yesterday the minister promised to inquire whether or not an agreement had been signed between the governments of Canada and the United States suspending the rights of these men. I wonder whether the minister was able to look into that point.

Mr. MacEachen: Mr. Speaker, I have asked for information. There has been no evidence to support that particular point, but the investigation is continuing and if there is any evidence I will bring it to the attention of the house.

MINES AND TECHNICAL SURVEYS

ESTABLISHMENT OF ASTRONOMICAL RESEARCH INSTITUTE IN B.C.

On the orders of the day:

Mr. Stuart A. Fleming (Okanagan-Revelstoke): My question is for the Minister of Mines and Technical Surveys. Is the government at present considering the establishment of an astronomical research institute to include the construction of a 150-inch optical telescope for location in south central British Columbia?

Hon. W. M. Benidickson (Minister of Mines and Technical Surveys): The government is considering the matter of a telescope of this quality, but as to the location an announcement will be made in due course, if and when an expenditure is approved for it.

SOCIAL INSURANCE

AUTHORITY FOR DISTRIBUTION OF APPLICATION CARDS

On the orders of the day:

Mr. A. D. Hales (Wellington South): My question is directed to the Minister of Labour. It has to do with the question I asked him on Friday last concerning the distribution of application cards for social insurance numbers. At that time I asked under whose authority these cards were being distributed.

Hon. A. J. MacEachen (Minister of Labour): Yes, I have an answer for the hon. member. The application cards for social insurance numbers are being distributed by the unemployment insurance commission under the authority contained in the Unemployment Insurance Act and its regulations.

Mr. Hales: Could the minister advise the house why these cards do not carry the words "Issued under the instructions of the Minister of Labour"? There is nothing on them to that effect.

Mr. MacEachen: The authority of the Unemployment Insurance Act is the basis of this action. In view of the relationship between the Minister of Labour and the commission under the law, I think it would be improper to have the minister's name applied in that way when the authority of the commission can be used.

Mr. Hales: Is the unemployment insurance commission not responsible to the Minister of Labour?

Mr. MacEachen: Mr. Speaker, this is another legal question in a sense, but it is a fact that the unemployment insurance commission is a commission and occupies an entirely different status than the officials of the Department of Labour.

Mr. Reid Scott (Danforth): A supplementary question, Mr. Speaker. In connection with these social insurance applications, is the minister aware that the form of application in requiring men to disclose the maiden names of their mothers, requires them to indicate whether they were born out of wedlock, which seems to be visiting the sins of the parents upon the children. I wonder whether the minister would look into this aspect of the questionnaire.

SHIPPING

EFFECT OF LOW WATER LEVEL IN GEORGIAN BAY AND LAKE HURON

On the orders of the day:

Mr. P. B. Rynard (Simcoe East): Mr. Speaker, I would like to draw your attention to the fact that the official opposition seems to be running an hour ahead of the government. I would like to ask a question based on the following report:

> Rapidly declining water levels in Georgian bay and lake Huron can put a serious crimp on the economic lives of—
>
> —towns in that area:
>
> —unless remedial measures are undertaken in the not too distant future.
>
> The three foot drop that has taken place in the level of the bay during the last three and a half years is a source of no little concern to shipping interests which employ a goodly number of men in each of the three communities.

My question, addressed to the Minister of Public Works, is what has the federal government done in the investigation of this matter, and what does it propose to do to offset these falling water levels which seriously threaten the incomes of hundreds of people who are in tourist and commercial businesses in that area.

Mr. Speaker: That is a very interesting, important and pressing question. Nevertheless I do not think it is reasonable to expect the minister to give a short, concise answer at this time. Perhaps the hon. member would put his question on the order paper.

Mr. Rynard: Mr. Speaker, I just want to draw your attention to the fact that this question was asked some time ago.

Mr. Churchill: And not answered.

[*Later:*]

Mr. P. V. Noble (Grey North): Mr. Speaker, I have a question for the Minister of Public Works. If low water levels create a hazardous situation in any harbour on the great lakes, will the minister give the house his assurance that he will give the problem his immediate remedial attention?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, I do not follow very well the point the hon. member has in mind, but I am going to look into this matter.

AIR TRANSPORT

INQUIRY AS TO REPORT ON SOUTHERN PRAIRIE SERVICE

On the orders of the day:

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I would like to ask the Minister of Transport whether the report and the recommendations of the air transport board, arising out of their hearings in Regina respecting the southern prairie air run, have been filed; and if so, when can we expect a decision in this respect? I draw to the attention of the minister that this service was discontinued on January 11 and there has been no air service since then.

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, to the best of my knowledge, unless the report has been received very recently, it has not yet been made. But I will make inquiries of the air transport board as to when it is likely to be available.

Mr. Gene Rheaume (Northwest Territories): A supplementary question Mr. Speaker. Can the Minister of Transport inform the house when he is likely to announce a regional air carrier policy for Canada?

Mr. Pickersgill: When the government has made a decision as to what the policy is to be.

Inquiries of the Ministry

VETERANS AFFAIRS

INTRODUCTION THIS SESSION OF AMENDMENTS TO CHARTER

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address a question to the Minister of Veterans Affairs. Is the government giving consideration to introducing any time this session amendments to veterans legislation that comprises the veterans charter?

Hon. Roger Teillet (Minister of Veterans Affairs): Mr. Speaker, as I think I indicated a while ago, while the studies are going on it is extremely unlikely that we will be ready to do this before the end of this session; depending, again, upon when this comes about. I am speaking here of before midsummer.

CANADIAN CENTENNIAL

QUEBEC—LETTING OF CONTRACTS WITHOUT TENDERS

On the orders of the day:

[*Translation*]

Mr. Clement Vincent (Nicolet-Yamaska): Mr. Speaker, I should like to direct a question to the Secretary of State.

Has the minister inquired into clauses 15 and 16 of the regulations established under the federal-provincial agreement concerning the implementation in the province of Quebec of projects to commemorate the centennial of confederation in Canada, and, if so, could he tell us if his government is in favour of contracts being awarded by the provinces without tenders being called, since the grants are of $500,000 or thereabouts?

[*Text*]

Mr. Speaker: May I suggest that this is a question for the order paper, as it requires a detailed answer.

Mr. Vincent: No, Mr. Speaker, not a detailed answer; just yes or no.

Mr. Speaker: In that case it is asking for a legal interpretation, which I do not think arises at this time. Will you put the question on the order paper?

Mr. Vincent: It is a policy question.

Mr. Pigeon: It is a very important matter.

Mr. Vincent: It is a question of privilege.

Mr. Speaker: It is certainly a political question at least, but I think after three interruptions by now the minister has the point.

Mr. Vincent: May I ask another question, Mr. Speaker.

[Mr. Pickersgill.]

[*Translation*]

Could the minister tell us what is the difference between public tenders and a call for tenders which goes to three contractors?

Mr. Speaker: The hon. member for Beauce—

Mr. Perron: Mr. Speaker, I—

Mr. Vincent: Mr. Speaker, I have another question for the minister. Is the government in favour of the regulations established following the agreement concluded between Ottawa and the province of Quebec?

Mr. Speaker: Order, please. The Chair has recognized the hon. member for Beauce.

[*Text*]

FINANCE

SALE OF SHARES IN PROPOSED NEW BANK

On the orders of the day:

[*Translation*]

Mr. Gerard Perron (Beauce): Mr. Speaker, I should like to direct a question to the Prime Minister.

Is he or is anyone of his department aware of the fact that the group of financiers who intend to set up a bank in western Canada have already started selling shares to the general public although the incorporation of the company has not been secured, a fact which could involve losses should this incorporation be refused by the government?

[*Text*]

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

TRANSPORT

FUND TO SUBSIDIZE UNPROFITABLE BRANCH LINES

On the orders of the day:

Mr. Nicholas Mandziuk (Marquette): Mr. Speaker, may I direct my question to the Minister of Transport and ask him whether Mr. Ross Thatcher, the provincial Liberal leader in Saskatchewan, quoted him correctly when he said that the government plans to set up a railway rationalization fund to take care of and subsidize rail lines or branches of rail lines which are not profitable. If he has been quoted correctly, will this then apply to all lines or just to some particular lines?

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, I have not seen any purported quotation of me by Mr. Ross Thatcher. If the hon. gentleman wants to send me something I will look at it, but it seems to me we should recall that it is contrary to the rules of the house to ask questions on orders of the day about newspaper reports and their truth.

Mr. Mandziuk: Then may I ask the minister whether it is the plan of the government to set up a rationalization fund to subsidize non-paying branch lines?

Mr. Pickersgill: It is the plan of the government to introduce legislation similar to that of which notice was given by my hon. friend the President of the Privy Council last December, and the hon. gentleman is as well able to read that notice as I am.

Mr. Mandziuk: A further supplementary question. Has the minister made that promise by telephone to Mr. Ross Thatcher, as quoted in the Manitoba *Co-Operator* of March 19?

Mr. Speaker: Order, please.

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. W. H. Jorgenson (Provencher): Mr. Speaker, my question is directed to the Prime Minister and is based on a statement made today by the Minister of Forestry to the British Columbia lumber manufacturers association. In his statement the minister stated that the ARDA program is going to operate independently of agricultural control. My question is, is this further evidence of the attempt by this government to isolate the Minister of Agriculture out in the left field and precipitate—

Some hon. Members: Oh, oh.

Mr. Speaker: Order. That is not a proper question.

POWER

COLUMBIA RIVER—RETURN TO WRITERS OF LETTERS CRITICIZING POLICY

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I am sorry to interrupt the Prime Minister but I promised three ladies that I would ask this question. It relates to a most unusual practice that seems to have developed since the present government got into office. Would the Prime Minister inform the house why officials of his office and of the office of the Secretary of State for External Affairs, when replying to letters written to the Prime Minister and the Secretary of State for External Affairs from persons criticizing them on their Columbia river treaty policy, return those letters to the persons concerned?

Right Hon. L. B. Pearson (Prime Minister): I shall certainly have to look into that rather original question, Mr. Speaker.

Inquiries of the Ministry

NORTHERN AFFAIRS

ADMINISTRATION OF ESKIMO AFFAIRS, QUEBEC—CONSULTATIVE COMMISSION

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, I have a question for the Minister of Northern Affairs and National Resources which will be as devoid of political connotations as have been the answers given by the treasury benches this afternoon. Has the consultative commission, which on March 4 the minister said would be set up by the governments of Canada and Quebec with regard to the take-over of the Eskimos in Quebec by that province, yet been set up? If it has, what is the membership of that commission?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, my non-political answer to the first part is no, and I think the second part is answered by the answer to the first.

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Minister of Northern Affairs and National Resources.

[*Text*]

Mr. Willoughby: Mr. Speaker, may I direct a question to the Minister of Public Works—

Some hon. Members: Oh, oh.

Mr. Speaker: Order, please. Hon. members must realize it is twenty minutes to four o'clock. The hon. member for Joliette-L'Assomption-Montcalm.

[*Translation*]

Mr. Pigeon: Could he tell the house whether, according to a statement made by Father Steinmann, an Ungava missionary, and a report published in this morning's issue of *Le Devoir*, Ottawa is trying to impose on the Eskimos in new Quebec a quick assimilation which, in the opinion of Father Steinmann, would be a true genicide?

[*Text*]

Mr. Laing: Well, Mr. Speaker, if I understood the hon. member's question correctly, and I think I did, there are a number of assumptions in the question, and I believe the article is purely speculative. I shall have an opportunity to read it and if a statement is warranted I shall make it to the house.

ADMINISTRATION OF JUSTICE

JOHN WASYLENCHUK—STEPS TO ENSURE FAIR TRIAL IN U.S.

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I should like to direct a ques-

tion to the Minister of Justice. In view of the fact that John Wasylenchuk, who was extradited under his predecessor, goes on trial for his life today in Seattle, may I ask the minister if he is satisfied that everything possible has been done to make sure that he gets a fair trial?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, in answer to this question I must say that as far as the Department of Justice and the government are concerned, everything has been done to satisfy us in this respect.

THE BUDGET

ANNUAL FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The house resumed, from Monday, March 23, consideration of the motion of Hon. Walter L. Gordon (Minister of Finance), that Mr. Speaker do now leave the chair for the house to go into committee of ways and means, and the amendment thereto of Mr. Nowlan.

[*Translation*]

Hon. Paul Martineau (Pontiac-Temiscamingue): Mr. Speaker, in the few minutes still at my disposal before I conclude my remarks, I should like to make some observations concerning federal-provincial relations.

The vague allegations by the minister on that matter leave us puzzled. As a matter of fact, it is enough to wonder whether the government is not preparing a new centralizing offensive which will certainly come to light at the opening of the conference on March 31 next.

The doings of the Minister of Finance (Mr. Gordon) in rushing through the budget, only a few weeks before that conference, are bound to give rise to most serious doubts. We wonder why such haste to introduce a budget which is much more noteworthy by its omissions than by its contents.

It seems that even the date chosen for the introduction of the budget speech is an affront to the provinces. Yet, at last November's conference, the attitude of the provinces was clearly set out and could be resumed as follows:

1. Systematic objection to any federal action which in fact curtails the field of provincial jurisdiction.

2. Absolute opposition to any unilateral federal action which is bound to upset provincial priorities, particularly in the case of area development.

3. Since economic problems seldom come under exclusive federal jurisdiction, the provinces should be consulted every time decisions are taken which might affect their economy.

4. Participation in one way or another, through permanent federal-provincial agencies set up for that purpose, in the determination of any federal policy likely to affect the provinces.

Mr. Speaker, such is the very clear position which was proposed not only by the government of the province of Quebec, but by the governments of several other provinces. As a matter of fact, if we refer to the press release which was issued after that conference, it seems indeed that the federal government had agreed on those view points, because it states that a thorough consultation must take place about the measures it is deemed advisable to pass and, for that purpose, it suggests the setting up of a system which will make possible such close and permanent consultation and will make sure that all governments will have all the required authority to assume their respective responsibilities.

So that the words co-operative federalism will not be mere window dressing to cover a fool's agreement, I direct the following questions to the Minister of Finance:

Why have not the necessary provisions been passed yet to implement those objectives?

Why were not steps taken to make it easier for the provinces who so desire to withdraw from joint programs, and why are new joint programs being developed?

In view of the provisions of the budget itself, will it be possible to make new fiscal arrangements that will meet the demands of the provinces?

Why did not the Minister of Finance consult his provincial colleagues before preparing his budget?

And, finally, what positive provisions have been taken, or are going to be taken by the government to carry out the various suggestions and recommendations not only from this side of the house, but from all its corners, tending to establish a sound federalism, and more particularly the following suggestions:

The immediate establishment of an adequate permanent federal-provincial secretariat, which might group in its set-up all the various agencies for federal-provincial consultation.

The setting up of a constitutional Senate committee, as was suggested the other day by the hon. member for Three Rivers (Mr. Balcer).

The repatriation of our constitution and its adjustment to modern needs, which would, again, answer the exigencies of a sound federalism.

The setting up of a constitutional court, which as a last resort would decide any possible disputes between the provinces and the federal government, as well as all constitutional differences.

And, lastly, which is perhaps a new suggestion, the establishment by the House of Commons of a standing committee responsible for matters which, perhaps, more particularly affect the province of Quebec.

Mr. Speaker, until we get satisfactory answers from the Minister of Finance, I respectfully submit that it is useless to speak of co-operation, of co-operative federalism, and that our confederation system will never run smoothly.

In closing, I must say that budget does not look like a real budget to me, but just a provisional one, drawn up hastily and which brings no real solution to current problems. Mr. Speaker, finally, I suggest that the minister, now that he has had a little time to think about those questions and the opportunity to hear the views of the members of this house, get down to work earnestly and come up with a real budget—let him call it supplementary or whatever he likes—in order to fill once and for all the painful gaps left by his first abortive attempt.

Mr. Gerard Girouard (Labelle): Mr. Speaker, I should like first of all to congratulate the Minister of Finance (Mr. Gordon) for the Easter tints he has given his budget. The sentence which impressed me the most in the budget, the one he read most enthusiastically and most emphatically is the following:

> All hon. members can take satisfaction from the improvement that has been occurring in economic conditions in Canada and from the optimism with which we can view the immediate future.

Mr. Speaker, we could piously add Alleluia, and all the Easter spirit would be there.

On the other hand, there are other parts of his speech that are a little more in accordance with Passiontide. In certain parts of his speech, the Minister of Finance reminded us of a son who, having pitifully failed an exam, is telling his father about his results. The father is quite sad, but suddenly in a cheerful tone he says to his son: "I congratulate you because at least I am sure that you did not cheat."

Evidently the Minister of Finance did not cheat when he prepared this budget. He admitted it himself, he did not ask the advice of any expert, he did not annoy anyone, and what he presented was pure traditionalism.

However, I wish to say to the Minister of Finance that I was in a somewhat nostalgic mood when I heard him read his budget this year. Last year he came like an eager zealot who had undertaken the conquest of the powerful capitalists. I must admit that he had succeeded in stirring up their wrath and that he must have been sorry.

The 1963 budget was perhaps a political disaster for the Liberal party, but for the Minister of Finance himself, it was a sign of greatness. I had a higher opinion of the Minister of Finance in difficulty than I do now when I see him entirely satisfied with the insignificant budget he has just introduced.

Mr. Speaker, the 1963 budget had made few people happy, but it had at least called for sympathy and friendliness. It was good to see a minister reveal himself as an idealist, since he was not young maybe, but new to public office. I know that at the time, he won the admiration of many young members of his party. The minister now introduces a budget which shows that he no longer wants to break new ground. But there is still in him a strain of candour that borders on naïveté. "Let us rejoice", he says, but he goes on: "Unemployment is still too high, and in the Atlantic provinces and eastern Quebec it is much too high". He admits it and I recognize that he is frank, but he goes on to say, and this is terrific:

> At the beginning of this year the seasonally adjusted figure for unemployment in Canada was just below 5 per cent. However, according to our best current estimates, the figure for British Columbia, again on a seasonally adjusted basis, was just above 4 per cent. For the prairies it was around 2 per cent. In Ontario it had fallen to about 3 per cent, but in Quebec, where the increase in the labour force had been quite exceptional, it was probably about 6 per cent. For the Atlantic region, the figure while falling, was probably still as high as 8 per cent.

I should like to call the attention of the house to the various degrees of assurance used by the Minister of Finance when introducing his statistics. In British Columbia the Minister of Finance is certain, he gives the assurance that—

> according to our best current estimates, again on a seasonally adjusted basis—

unemployment was just above 4 per cent. For the prairies, he is also sure that unemployment is around 2 per cent. In Ontario, he also says flatly that unemployment has fallen to about 3 per cent. But in Quebec the minister is no longer quite sure—neither in the maritime provinces. First he says that—

> the increase in the labour force has been quite exceptional.

He does not say how this is done, but it is very unusual. However, it seems that the unemployment rate is 6 to 8 per cent. The minister certainly knows that the percentage has decreased in the maritime provinces, and that it is now 8 per cent. That is about it.

Nevertheless, I would like to ask the minister to explain why these statistics are

unreliable. Is it not the same experts who compile statistics throughout the country? I would like especially to point out to him and to the government that even though experts are not the same, provinces are, areas are, as are also the workers who have been unemployed for six years.

That is not all, Mr. Speaker. The Minister of Finance went on:

> The wide diversity of these figures and the prospect for the current year suggest that broad, general attacks on unemployment will be less useful now—

That beats everything, Mr. Speaker. Reference is made to broad general attacks on unemployment, while I am given to understand that in Quebec province there is 6 per cent unemployment, and 8 per cent in the maritimes.

The minister continued:

> Accordingly, our plans and policies are increasingly designed to meet the special needs of areas of the country or groups of the population confronted with special difficulties and problems.

There you are. The Minister of Finance has settled the problem. Unemployment is decreasing in western Canada and they say it is because of the far reaching operation by the government. But if unemployment is decreasing in western Canada, it is because of a far reaching operation, but not an operation by the government. It is because of a far reaching operation by Russia, China and other European countries who simply launched the operation "we want bread".

One might think that the government deserves to be commended for having lent a friendly ear to that request? Not at all, Mr. Speaker, because the sale of wheat to communist countries and to European countries was an initiative of the Conservative party.

Indeed, when such action was taken last year, it was among the cries and objections of those who want to take all the credit for it today.

Therefore, I wonder what has become of the "large scale operation of the Liberal party." The Liberal party was to launch a far reaching operation, and what was done actually about it? During the last election it faced a Conservative party which offered wheat sales, vast trade outlets, a winter works scheme, and public works to help the municipalities, new and easier facilities from the Central Mortgage and Housing Corporation, and ARDA. In spite of all these measures, things did not work out the way the Canadian public wanted, people wished to change their government.

Now, let us see what the Liberal party has given Canada since it took over. We had the winter works program, and the first action the government took in this field was to cut the winter works period. Yet, how many promises had been made with regard to this matter. Each hon. member rose, at one time or another, to ask whether there was no possibility of extending the winter works period. I also rose in the house to ask the minister whether there was any possibility of extending the winter works period in some districts, but I was told that nothing could be done. It is certainly not in the field of winter works that I can note far reaching policies.

Now, what has been the government's policy concerning grants to underdeveloped areas? Much publicity has been made on this subject of underdeveloped areas. Grants were increased by 10 per cent to help them. This did not work either. Why? Because when the municipalities do not even have enough money to buy materials, what use have they for the money offered by Ottawa to pay wages?

There was also this situation—in my own constituency more particularly—on which I want again to call the attention of the house. Four parishes had considerable public works to be done, and they wanted at least to take advantage of this assistance granted by the federal government to underdeveloped areas. Again I wrote to the minister, saying: there are only four parishes in my constituency which do not benefit from the assistance the government grants to underdeveloped areas; would it not be possible to allow these four parishes to benefit from that governmental assistance? Do you know what reply I got? It makes me laugh. I was told: "These four parishes are indeed in your constituency, but they do not come under the same unemployment insurance office. To grant them the same advantages would occasion administrative problems." This is exactly what the Minister of Finance was saying last year.

So, even when I examine the government's assistance program to underdeveloped areas, I see nothing of that famous far reaching operation. But I am going to give the government more chances. I shall take a close look at some other of its objectives.

Is it in the building industry that we had a far reaching operation by the government? Well, the government surely did something in the building field. It levied a tax on materials and today they boast that construction was very high this winter. But I hope they will not have the effrontery to pretend that if construction improved, it was because of the new tax on building materials.

If construction was active this winter, it is because people decided to take advantage of the 4 per cent tax before it is raised to 8 or 11 per cent. Mr. Speaker, when this tax on

building materials reaches its maximum level, the government will no longer believe it was a far reaching operation.

Where was it felt that far reaching operation was supposed to provide full employment? Again, the Liberal party was duty bound to promote full employment because specific pledges had been made in this respect, and that is why the Conservative party was defeated at the last federal election. The Liberal party had made all kinds of pledges in this connection but today what have we got: complete failure. Well, I know that the Liberal party had great undertakings in some fields. But I want to tell them that in this day and age, Canadians are very much interested in our foreign affairs, but they are also very much interested in the problems related to defence, especially the citizens in my riding, where a base has been built in La Macaza which is the finest monument to our subjection to the United States. Canadians are also interested in bilingualism and biculturalism, especially in the province of Quebec where, for once, fire defeated ashes. But if Canadians are that interested in all those accomplishments of the Liberal party, it is as long as they can sit at night, with a full stomach, before their television sets to read their newspapers.

Mr. Speaker, the Minister of Finance tells us there are 6 per cent of unemployed in the province of Quebec. This figure can represent as much as 100,000 heads of families which have inadequate housing, clothing and food. However, as I have said, the minister in this atmosphere of well-being continues to talk about "the optimism with which we can view the immediate future".

Now, if one considers the unemployment problem, one realizes that the large scale operations in this field by the government since the Liberal party came into office, are highly questionable.

Let us consider the farming situation. I would not like the Minister of Finance to forget that farmers are also in the Easter season. I would not like to do like the former member for Bellechasse who, every time he rose, said he spoke on the part of the 92,000 farmers in eastern Canada whose income is below $1200 a year. I would not like to repeat that to no avail, but the situation is serious. I certainly should like to know what the government has achieved in the way of large-scale operations to assist eastern farmers.

In my constituency, as well as in the province as a whole, only one farm out of three can keep on operating at the present time and, if it can manage to do so, it is because the head of the family goes off by himself to find a job somewhere else. And if at any time he should be unlucky enough to lose that job, well, on top of that, he is not even entitled to unemployment insurance benefits, because then he is told: "You are a farmer". Where then is that wonderful large scale operation the Liberal party was supposed to carry out to promote eastern agriculture?

I could quote statistics and give examples, but that would not change the situation a bit, for I am convinced that each and every one of us is familiar with the problems of our eastern farmers. They are so well acquainted with them that they should have found a solution during the last election campaign.

It had been said that the member for Matapedia-Matane (Mr. Tremblay) would be the next minister of agriculture for eastern Canada. It seemed serious enough, because the hon. member had announced it himself. But later, when a member of the opposition—I think it was the member for Joliette-L'Assomption-Montcalm (Mr. Pigeon)—pressed the government to say when the minister of agriculture would be appointed, the member for Lotbiniere rose to his feet and cockily said: "One minister of agriculture will not be sufficient, we want two departments". And now, the member for Matapedia-Matane has become a specialist in railroads which remain unbuilt. But we have no department nor minister of agriculture for eastern Canada.

I see no mention of large scale projects put forward by the government for the benefit of eastern farmers. Who will take the matter in hand then, I ask you?

The other day, the hon. member for Nicolet-Yamaska (Mr. Vincent) gave me dreadful examples showing why the Department of Agriculture in Ottawa is completely unaware of the problems of Quebec farmers. Since the government likes so much to set up commissions and to advertise widely its accomplishments, I think it would be time to launch an investigation on farm problems in eastern Canada.

A great number of my constituents, including many farmers, ask me what I might possibly do for them in Ottawa. I was able to do little if anything for them. The case of one of my electors has been of particular interest to me. His name is Mr. St. Pierre, he lives in my riding and he came to see me one day to talk about a farm loan application he had made. The agronomists had looked over his land and they had advised him to apply for a loan, telling him that he had a very good chance to get it as he met all the requirements. But Mr. St. Pierre did not get his farm loan.

This may be of interest to the house, although I do not want to establish any relation between the two things but the inspector who looked over Mr. St. Pierre's land

was the brother-in-law of the Liberal candidate I defeated. And Mr. St. Pierre was one of my supporters. I do not want necessarily to establish any relations between these two facts. However, I submit that if the government wanted to set up a royal commission on that matter it would get very interesting information.

Once again, Mr. Speaker, I ask the government who will act for the eastern farmers in future, and in what way?

But, Mr. Speaker, it might be that unemployment and agriculture are not such important problems for the government. We note how successful it has been in other fields.

And the minister continues:

> The deficit in our current account balance of payments with other countries is still too large but it is smaller than it has been since 1954.

Mr. Speaker, should we then congratulate the Liberal party which laughed at the Conservative party, saying that the dollar was worth only 92.5 cents. Today, the government seems to say: It is thanks to us if the trade balance righted itself.

Come now. It is a well known fact that the improvement in the trade balance is due to the action taken by the former minister of trade and commerce, Mr. George Hees.

On what does the Liberal party deserve to be commended? Perhaps in connection with federal-provincial relations, according to the statement made by the minister when he said:

> But now the public expects so much from both levels of government that they often appear to be in competition with one another.

I often wonder whether it is the public who expects everything from both levels of government or if it is not rather the federal politicians who find it very profitable to take advantage of the public during an election campaign.

I appreciate that the provinces have needs in the fields of education, assistance to the municipalities and social legislation, but when the people have requests to make along those lines, they address themselves to the proper authorities.

However, during election campaigns, politicians profess their willingness to help the people. It looks good to promise scholarships and municipal loans because it brings votes. Yet, it is the public which must bear the burden of the uneven distribution of revenues between the two levels of government.

The burden is so unevenly distributed today that we are now in the midst of a constitutional chaos.

To get out of it, two alternatives seem possible: either we break resolutely through the constitutional walls, or go under them.

The latter alternative is what the Secretary of State calls co-operative federalism. But if the government is able to pay out $10 to every student across the country, if it is able to set up a municipal loans fund, if the government goes into provincial fields, where is he going to get all the money? From the provinces, it is as simple as that.

I am wondering if it would not be much simpler for the Minister of Finance to abide by the constitution and allow the provinces themselves to collect these $10 and to distribute them.

If the federal parties have not enough promises left, may I suggest a few to them. In the field of external affairs, the federal politicians could travel about and promise peace, they might even promise the appointment of an ambassador to the Vatican. As far as defence is concerned, they could travel about and promise disarmament, and to do so, I give them my permission to demolish the Bomarcs stored in my riding; this would create jobs for the unemployed. In the postal field, they could promise a well-organized rural service and in the municipalities, a more efficient home delivery service.

There you have the best promises a federal party could make and that would be much better than tampering with the constitution.

I would not care to swim against the current all the time, but there is one idea I should like to put forth concerning what is constitutionally legal in all those federal-provincial agreements. We have reached the point where provincial premiers meet and decide to amend the constitution. Now, that is something which belongs to the people and which only the people can amend.

All members of the house should ponder over the fact that it is not up to a province to amend the constitution, but to a whole people, and that the normal way to proceed in such a case is to hold a referendum.

Since the constitution must be amended, let us do it as soon as possible. Let us repatriate it and amend it. Many suggestions will be made and some minorities will fear that, in so doing, the majority will gain the upper hand. There are several possible solutions in that respect, but even if the latter is adopted, it must be remembered that to carry out such a project, the provinces must get together and give their unanimous consent, otherwise each province could appeal to the supreme court. However, it would be possible to protect the rights of individuals.

Mr. Speaker, I shall summarize my remarks by calling four or five points to the attention of the government.

Things have not started rolling as far as unemployment is concerned; must we have

confidence in the government? The condition of agriculture is still unsatisfactory but, there again, must we trust the government? The national defence situation is not as it should be; must we have confidence in the government in that respect and also as concerns biculturalism?

That is the only thing we do, trust the government. We have been placing our trust in the government for a year now and we are expected to go on doing so.

I can assure you of one thing. The more we trust the government and the longer it takes to act, all the harsher will Canadians be towards the Liberals when they go to the polls. It will not be able to say that it has gone through a difficult period. But if the Liberal party cannot accomplish miracles, let it stop pretending that it can work miracles.

I hope that during the few years it has left it will mend its ways and do more than it has done since we have been sitting here.

[*Text*]

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, before speaking about the amendment that is before the house I should like to say something about the economic measures that were taken by the government last spring and summer and the economic policies that have been followed since that time; about the economic objectives enunciated in the budget speech, and about the present economic outlook in Canada. First of all let me review the economic policies and the economic measures that have been introduced by the government, and their effects so far.

The first one to which I should like to refer —and they are not in any particular order— is the $500 winter house building bonus program. The purpose of this measure was to even out to some extent the seasonal peaks and valleys in employment in the house building industry; to provide more jobs, in other words, during the winter months. Mr. Speaker, hon. members of the house may remember that this program was ridiculed last spring as a gimmick, but the measure has proved to be eminently successful. As an example, housing starts in the months of December, 1962 and January, 1963 were 12,009; for December, 1963 and January, 1964 housing starts were 24,191, or more than double the number of the year before.

Some hon. Members: Hear, hear.

Mr. Gordon: One of this country's prominent home builders, Mr. Noel Zeldin, the president of Consolidated Building Corporation, has gone on record as approving of the $500 bonus program. He is also on record as saying that the sales tax, about which some hon. members have become so exercised, is not nearly as onerous as might be suggested. He is quoted in the Montreal *Star* of March 7 as saying:

> If the government feels that the revenue is needed, then the building industry must accept it and learn to live with it. We must be prepared to provide this contribution which, in the final analysis, rebounds and benefits all Canadians.

He went on to say:

> —the truth of the tax matter, I feel, is that it will not affect the sale of private homes to any appreciable extent.

This man, Mr. Zeldin, is the president of a company that at the moment is building an apartment project in Victoria, a housing development in Vancouver, six housing developments and two apartment projects in Toronto, and three more housing developments in Montreal. He said, in regard to the $500 bonus for winter home building that this has all but taken the cycle or seasonal aspect out of this phase of the construction business. In other words—and I quote Mr. Zeldin—"it has been a roaring success".

Some hon. Members: Oh, oh.

Mr. Gordon: Some people in the building business have complained that there may be some falling off in the spring, and this is quite true. It was the object of the exercise to transfer work to the winter months. I can assure all hon. members of the house that this program will be continued next winter.

The second measure, Mr. Speaker, to which I wish to refer is the accelerated rates of capital cost allowances for Canadian owned companies and companies with a degree of Canadian ownership. Unquestionably this policy has proved to be a powerful incentive and is responsible in part for the substantial increase forecast recently for private capital investment in 1964. Hon. members will recall that the forecasts made for 1964, excluding housing, show an increase of 7.7 per cent over last year, and if housing is included the figure is 8.6 per cent. This stimulus through these increased capital costs allowances will continue through 1964 and the first half of 1965.

The third program I should like to mention is the automobile incentive program. This is also proving to be a success. We have all read in the press of the plans of the various automobile companies to expand their facilities in Canada, plans which will provide more jobs a year or two from now and more jobs in the meantime on the construction phase of the expansion.

Fourth, I refer to the extended provisions for technical and vocational training. As my colleague the Minister of Labour (Mr. MacEachen) indicated to the house on February

24, the new measures taken to strengthen our technical and vocational training program have had excellent results. There has been an increased enrolment in schools and in training programs, a decline in the number of school drop-outs and a downward swing in unemployment. The government believes that it is of vital importance to upgrade the skills and training of the Canadian labour force so as to equip our young people especially for the kind of jobs which will be available in the future.

To digress for a moment, Mr. Speaker, I should like to mention the measures proposed in the budget this year to help people improve their skills and training. The first one is the extension of family allowances to students of 16 and 17 who remain in school. I suspect that other hon. members have received enthusiastic comments about this particular program as I have in the last 10 days, and that they will agree with me that it has been very well received across the country.

Mr. Winkler: It is the best thing in the budget.

Mr. Diefenbaker: You voted against it on February 27.

Mr. Gordon: And I expect you are going to vote against it tonight, if you will give me a chance to finish my remarks.

Mr. Starr: Do not get all riled up; you are doing very well so far.

Mr. Gordon: The second point in this general connection which helps people to improve their skills and which is provided for in the budget is the provision that tuition fees of part-time students may be deducted from taxable income; and the third is the proposal that loans on an interest-free basis should be made to university students. I think that we on this side of the house feel very pleased and satisfied that we were in a position to bring in these three measures which will do something for the younger people of this country.

The fifth measure I wish to mention is the incentives provided last year to stimulate activity in areas of slower growth. This is another policy that was ridiculed by the opposition when it was first announced, perhaps because it was new and untried in Canada. About 150 inquiries respecting possible projects for designated areas have so far been handled by the area development agency. Of these, 34 companies have formally indicated that they will go ahead with projects to be located in 14 of the 35 designated areas. They involve a capital investment of over $73.5 million and are expected to provide some 5,000 new jobs. The indications are that the Minister of Industry (Mr. Drury) will shortly be asked to certify new projects representing another $100 million or so in capital investment.

The extension of the tax concession in designated areas to April 1, 1967 has been greeted with enthusiasm. If I may, I should like to quote a letter which I received from Mr. W. N. Hall, president of Dominion Tar and Chemical Company Limited whose head office is in Montreal. He says:

> I should like to express my thanks and congratulations to you on the inclusion in the budget of an extension of the tax concessions in designated areas to April 1, 1967.
>
> My thanks are on account of the fact that I believe the concessions will be most helpful in allowing this company to do some things which otherwise would not be possible, and my congratulations are because I am sure this extension will bring needed industry to a number of areas which would not get industry on a normal taxation basis.

The sixth measure to which I wish to refer is the creation of the municipal development and loan board. There are 107 loans to date under this program amounting to $42.5 million, the largest of which so far is a loan of $29 million to metropolitan Toronto. I expect most applications under this act will be made this year, 1964, although the effects of increased employment resulting from them will continue until March 1966. As hon. members will recall, when the bill leading to the Municipal Development and Loan Act was being debated it was made clear that it was an intermediate program, or that its effects would be for the intermediate period. Most municipalities had already established their capital budgets for the calendar year 1963 and it was thought unlikely that many of them would be able to take advantage of these additional credit facilities during the 1963 year. We are now finding that municipalities are beginning to take advantage of the credit made available under the act for 1964.

The seventh measure to which I would like to refer is the Atlantic development board. Projects approved to date include, first, a power development at Mactaquac, New Brunswick, amounting to some $20 million. Another $20 million is being spent on the power development at bay d'Espoir in Newfoundland—I believe that is the correct way to pronounce the word in Newfoundland, if not in some other parts of Canada. Third, assistance is being provided for basic facilities for the fishing industry at Georgetown, Prince Edward Island; and the fourth project so far is assistance for basic facilities, again for the fisheries, at Canso, Nova Scotia. I personally am delighted that this measure to improve the basic economic structure of the Atlantic area is taking hold. The Atlantic development fund is the outcome of a recommendation made in the fall of 1956 by a royal

commission of which I had the honour to be chairman. It has taken a long time, some people might think too long, to act on the recommendations of that commission, but we are now beginning to get somewhere. If it results in an improvement in economic conditions in the Atlantic area I am sure all members of the house and all people in the country will be more than pleased.

The eighth point I would like to make is in connection with the monetary policy that has been pursued and the spread between interest rates in Canada and the United States. During 1963 the operations of the Bank of Canada were directed towards encouraging credit conditions in a way which would help to strengthen and sustain the expansion of the Canadian economy.

Interest rates in the United States rose moderately during the course of 1963, and I think that the real phenomenon is that the spread between United States and Canadian rates narrowed appreciably. There seems to be general agreement with the monetary policy that has been followed, and it is one of the reasons why the Canadian economy has been expanding.

These various policies and measures are paying off. They are working well and they will continue to work well. All of them have contributed directly to the improvement in our economic picture.

Before leaving this subject I should like to say a word, more or less in parenthesis, about the older workers program. This program was not expected to be the final answer to the employment problem of older workers, and for that reason it was introduced on an experimental basis. The program was designed to assist employers during the period an eligible older worker was given the training and work experience necessary for his continued employment.

In some cases difficulty was experienced in finding workers to fill approved job vacancies, because the types of work offered were not attractive to many of the workers who were suitable for referral to the particular employers concerned. In other cases there was some shortage of eligible older workers who could meet the specifications of the job openings. But up to the end of February 1964 there were 1,986 applications from employers submitted to the national employment service offices. Of this number 1,333 had been approved, and by the end of February 936 eligible older workers had been placed in jobs.

There was a considerable increase in both applications and placements under the program during the month of February. Inquiries also increased in volume, indicating that further increases might be expected in March, the last month of the hiring period.

The other day the hon. member for Digby-Annapolis-Kings (Mr. Nowlan) referred to the number of older workers placed in jobs up to the end of January, and he compared this figure with the cost of an advertising program to inform people of the older workers scheme that had just been started about that time.

He rather ridiculed the cost of the advertising in relation to the number of people who had been placed in jobs prior to the insertion of the advertisements, in other words, prior to the time most people knew the older workers program was in existence. In reply I would just like to say that the advertising program seems to have been effective. To the extent that this program has been and is being successful, it means the re-establishment as useful members of society of men who had been forgotten, men who had been made to feel they were not needed in our modern age. To the extent we are able to do something about this in one way or another it seems to me we are moving in the right direction. I have said something about the various economic policies and measures which have had considerable to do with the improvement in conditions in Canada in the last eight or ten months. I should now like to say a few words about the economic objectives of the government as set out in the budget speech. The first of these is the maintenance of high levels of employment.

Employment in February, 1964, was 272,000 higher than it was a year ago, the biggest increase in many, many years. Unemployment in February, 1964, was 78,000 lower than it was in the same month in the previous year.

Unemployment, as a percentage of the working force, reached its peak in 1961, and has been falling since that time.

The averages by the calendar years over the last decade have been as follows, and I think the trend is of interest: In 1954 the average was 4.6 per cent; in 1955 it was 4.4 per cent; in 1956 it was 3.4 per cent; in 1957 it was 4.6 per cent; in 1958 it was 7.1 per cent; in 1959 it was 6.0 per cent; in 1960 it was 7.0 per cent; in 1961 it was 7.2 per cent; in 1962 it was 5.9 per cent, and in 1963 it was 5.5 per cent.

The more recent improvement is greater than the yearly averages indicate. The following monthly figures show this on a seasonally adjusted basis. In July, 1963, unemployment was 5.9 per cent of the working force on a seasonally adjusted basis. In August it was 5.4 per cent. In September and October it was 5.3 per cent. In November it was 5.1 per cent, and in December, 1963, and to January, 1964, it was 4.9 per cent. In February of this year it was 4.7 per cent.

I am perfectly prepared to agree with the hon. member who spoke a few minutes ago that these rates are still far too high. I am not satisfied with the situation where unemployment in Canada is at a seasonally adjusted rate of 4.7 per cent. I am sure all other hon. members of the house are not satisfied either, but at least the curve is moving downwards and we can take some satisfaction from that. We must make sure in our policies and programs that we keep the curve moving downward in the months and years ahead.

Mr. Ricard: Would the minister permit a question?

Mr. Gordon: Certainly.

Mr. Ricard: Could the minister tell us how many thousands are unemployed now?

Mr. Gordon: I may be out a few, but my recollection is that there were 467,000 in February, 78,000 less than in February, 1963.

Mr. Ricard: Still over 400,000.

Mr. Gordon: The second objective is to encourage and maintain a high level of economic growth. The rate of growth in 1963 excluding farm production, which we all know was abnormally high in that year, was about 6 per cent. The estimated growth for the coming year, again leaving out farm production because nobody can tell what kind of crop we are going to have, is about 6½ per cent. We are expecting an increase.

An hon. Member: Juggling.

Mr. Gordon: No juggling; just planning. The third objective is an expansion of international trade and a reduction in the deficit on current account. The deficit on our current account with other countries was $521 million in 1963, again too high but the lowest since 1954. This country must do everything possible to push our exports so that the deficit in our current account transactions will be brought down to a reasonable balance.

In this connection and because it is vitally necessary to push our exports, perhaps I may be permitted to refer to a policy change that was announced last summer to permit the export of hydroelectric power, provided there are proper safeguards for domestic consumers in the future. As a result of this new policy approach it was possible to move on the Columbia river development which unquestionably will be of tremendous value and benefit not only to the people of British Columbia but to the people of Canada as a whole. Second, the government is working with the government of Manitoba in examining the power potential of the Nelson river to see if it can be developed at a cost which will permit very large and substantial exports either to the United States or possibly, depending on the circumstances, to Ontario. If the Ontario hydro commission should become really interested in this development on the Nelson it might take some of its future power requirements from that source and as a result reduce the need for imported coal for thermal plants. This would have the same effect as increased exports in so far as the current account deficit is concerned. Finally, there is the great potential development on the Hamilton river about which I should like to say a word or two in a minute.

The fourth objective of economic policy is to maintain reasonable stability in prices and the value of our currency. There has been a lot of comment, quite exaggerated comment if I may say so, about price stability in recent months. I might perhaps give a few comparisons of the changes in the consumer price indices in Canada and other countries between December, 1962, and December, 1963. In the United States consumer prices increased by 1.7 per cent during that 12 month period and in Canada the increase was exactly the same, 1.7 per cent. In the United Kingdom it was 1.8 per cent, in Sweden it was 2.7 per cent, in Germany 3.7 per cent and the same in Switzerland, in France it was 5.7 per cent, in Japan 5.8 per cent, in Italy it was 7.1 per cent. So on the basis of that kind of comparison we have not been doing badly in Canada.

On the matter of economic objectives there was one other point mentioned in the budget speech which is partly economic and partly political. I refer to the fact that Canada probably has the most open economy of any country in the world. This is to our best advantage. It is in our best interests, and as far as the government is concerned this will be continued. But as I said in the budget speech, there should be "full participation by Canadians in the management and direction of all aspects of our own affairs". I suspect it will not have gone unnoticed that in the budget speech this year I repeated what I said last June about the government's views and objectives concerning foreign owned Canadian subsidiary companies.

A word now, Mr. Speaker, about the economic outlook in Canada. I have already referred to the forecast of growth for 1964, to the fact that unemployment is down and employment up, to the fact that unemployment is now a regional rather than a national problem and is concentrated mainly—I referred to this in the budget speech—in eastern Quebec and the Atlantic provinces.

Apart from the incentives offered to industry to establish new manufacturing and processing plants in areas of slow growth, a

policy which I am very hopeful will bear a great deal of fruit in the next few months, the best thing that could happen from the standpoint of more jobs in eastern Canada would be an early decision to go ahead with the $600 million to $700 million development of the Hamilton falls power project. I would urge all parties concerned with this great enterprise as seriously as I can to work out their differences, if any, and to get ahead with this vitally important project.

The other day the hon. member for Nanaimo-Cowichan-The Islands (Mr. Cameron) suggested that some people had referred to my latest effort as a Tory budget. I must say I winced when I heard that epithet. I have been called a lot of things in my day, not a few of them since I became Minister of Finance, but I cannot remember ever before being called a Tory. The fact is, Mr. Speaker, that the powerful stimulants to expansion introduced last year, the effects of which are now beginning to be felt, will continue to be felt, as I have said. Apart from this, and in the kind of economic conditions I have outlined, what other fiscal and economic policies are called for at this time?

It is quite true that there are those who advocate massive tax cuts in order to keep up with the Americans. I cannot accept this as the right prescription in present circumstances, and when I say that I mean the circumstances of mid-March, 1964. If at some later date the forward surge in the economy should show signs of faltering, that would be another matter. But there are no such signs on the horizon now.

Many hon. members have made useful contributions to the debate, although for the most part they seem to have more or less cancelled one another out. I should like to mention two things that were said, the first by the hon. member for Springfield (Mr. Slogan). He suggested that in order to give vitality to this country we need the vision of 1957. My recollection of the vision, or nightmare, depending on how you like to refer to it, is that it was followed by high average unemployment—in 1958 of 7.1 per cent; in 1959 of 6 percent; in 1960 of 7 per cent and in 1961 of 7.2 per cent. It was followed also by two exchange crises. During that period the whole Canadian economy was in the doldrums.

We now have falling unemployment—

Mr. MacInnis: May I ask the minister a question?

Mr. Gordon: Yes.

Mr. MacInnis: The minister has given us the figures up to 1962; would he now tell us what he said about the devaluation of the Canadian dollar in 1962?

Mr. Gordon: I think I was probably the first person to raise publicly the question of devaluation of the Canadian dollar in January, 1960 or it might have been February, 1960, at a meeting of the Ontario labour congress in Niagara Falls.

Mr. MacInnis: Will the minister permit one more question?

Mr. Gordon: Perhaps the hon. member would make his own speech or ask me questions at the end of mine. I should like to continue.

Mr. MacInnis: There is one question which I should like to ask the minister.

Mr. Deputy Speaker: Order, please; if the minister will allow a question, it is his privilege. On the other hand, he has the floor and it is up to him.

Mr. Gordon: I will be glad to answer one more.

Mr. MacInnis: Did not the minister take credit for being the first to call to the attention of the Canadian people the fact that devaluation of the Canadian dollar would bring chaos to the economy of this country? I have that in writing, and it has been recorded in *Hansard.*

Mr. Gordon: No, Mr. Speaker.

Mr. MacInnis: You are on record as saying so.

Mr. Muir (Lisgar): This is a good time to change the subject.

Mr. Gordon: I am grateful for all advice that I get from unexpected places. I am short of consultants these days, and I am glad to find substitutes right here in the house.

We now have falling unemployment, the lowest levels since 1957, and an expanding economy. The people in my riding who now have jobs find the change to their liking, vision or no vision. They say they like this situation better than having nightmares.

The second point to which I wanted to refer was made by the hon. member for Pontiac-Temiscamingue (Mr. Martineau) who yesterday criticized the government for not cutting taxes. I wonder how he reconciles these remarks with the amendment put forward by his party criticizing the government for not balancing the budget? I am curious also to know how he reconciles his views on tax cuts with those of his colleague the hon. member for Digby-Annapolis-Kings (Mr. Nowlan) and the former minister of trade and commerce, Mr. McCutcheon, who sits in another place. These two gentlemen expressed their views at the recent Tory convention. I would be curious to know who speaks for the Conservatives on fiscal policy, whether it

is the hon. member for Pontiac-Temiscamingue or the hon. member for Digby-Annapolis-Kings.

Mr. Martineau: We both do.

Mr. Gordon: They both do, Mr. Speaker. This may make it clear to some, but I find it a little confusing when they take opposite positions on this subject within a short time of each other.

The amendment we will be voting on tonight reads as follows:

> This house regrets that the government has failed to take any effective action to control increasing expenditures and its failure so to do, despite increased taxation imposed at the last session, has resulted in a substantial deficit.

I suggest to hon. gentlemen opposite that those who live in glass houses should not throw stones. It seems to me that they have had—

Mr. Ricard: Stop right now.

Mr. Gordon: —some experience with deficits. I cannot accept all the advice I get from the opposite side.

I may point out also that the deficit for the next year has been reduced by 33⅓ per cent. I might point out that some items of expenditures will be increased next year, as they are in all years. Perhaps when hon. members think about this, they might like to know what items will account for most of the increases. There will be about $34 million extra spent on family allowances; about $58 million increase in payments to the provinces; $50 million more in debt charges; $35 million increase in the amount payable for hospital insurance; $25 million more for external aid. The cost of the trans-Canada highway program next year is expected to be increased by $10 million, and $18 million will be spent in connection with the Canadian corporation for the 1967 world exhibition.

I might point out also that in the current year which ends March 31, almost 60 per cent of the federal government's total expenditures is for such things as old age security, hospital insurance, family allowances and other social security benefits, as well as vocational training and grants to the provinces and municipalities.

May I call it five o'clock, Mr. Speaker?

Mr. Deputy Speaker: It being five o'clock, the house will now proceed to the consideration of private members' business, namely private bills and public bills.

PRIVATE BILLS

SECOND READING—SENATE BILLS

Bill No. S-9, respecting Scottish Canadian Assurance Corporation—Mr. Wahn.

[Mr. Gordon.]

Bill No. S-8, respecting the General Accident Assurance Company of Canada—Mr. Wahn.

BANKRUPTCY ACT

AMENDMENT RESPECTING WAGE EARNERS' ASSIGNMENTS

On the order:

Second reading of Bill No. C-3, an act to amend the Bankruptcy Act (wage earners' assignments)—Mr. Orlikow.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, before I request that this order stand, I wonder if I could ask the Solicitor General if arrangements might be made some time soon to refer the subject matter of the various bills that are to go to the consumer credit committee to that committee? I am not asking that it be done today, because we have to pick out which ones are to be dealt with in that way. This is the reason we keep asking that some of these bills stand.

Hon. J. Watson MacNaught (Solicitor General): In reply to the hon. member for Winnipeg North Centre I wish to state that in a day or two we shall go over these bills and the subject matter of any having anything to do with consumer credit will be referred to that committee for further study.

CRIMINAL CODE

AMENDMENT TO ABOLISH CAPITAL PUNISHMENT EXCEPT FOR TREASON

Mr. Reid Scott (Danforth) moved the second reading of Bill No. C-12, to amend the Criminal Code (capital punishment).

He said: The purpose of this bill, second reading of which I am now moving, is to amend the Criminal Code so as to abolish hanging as a penalty for the crime of murder.

Hon. members will notice that I have deliberately not touched upon the subject of treason because for the purpose of discussion this afternoon I wanted to try to limit the debate to the question of hanging as a penalty for the crime of murder. This is a subject upon which debate has raged back and forth for many years. People on either side of the controversy have, I think, held their views with sincerity and conviction and I suppose that no matter what happens to this bill the subject will always be one of which there will be deep differences of opinion among the population.

Those who read *Hansard* will have observed that the last great debate on this subject took place in 1961 when several days were devoted to a discussion of the matter. I think anyone reading the report is bound to be impressed by the fact that these debates

are probably among the finest to be found in the pages of *Hansard*. The question we really have to decide this afternoon is, it seems to me, a fairly simple one, namely is hanging an effective deterrent to murder or is there another deterrent which is just as effective and not so drastic? In my few remarks I hope to be able to demonstrate to the house that the penalty of capital punishment cannot be justified upon logical grounds and certainly not on moral grounds, and that there are other deterrents which are just as effective, though less drastic. I should like to divide my argument into two parts. First, I should like to examine briefly the case in favour of retaining capital punishment and, second, to discuss the arguments put forward in favour of its abolition.

The only real argument of substance which is advanced in favour of retaining capital punishment is based upon what is called the theory of deterrence. This is the theory that potential murderers will stop to consider the consequence of their action; that they realize that if apprehended and convicted they will be hanged, and that this will deter them from committing murder. An examination of the evidence in jurisdictions where capital punishment has been abolished in no way supports this theory.

Hon. members will be interested to hear of some of the countries which have abolished capital punishment and the years in which they decided to do so: Holland, 1860; Denmark, 1892; Norway, 1876; Sweden, 1919; and West Germany. There are a host of European and Scandinavian countries which abolished the death penalty before 1900. But in these five particular cases where the penalty has been out of use for about a hundred years it is interesting to compare the murder rate with that of Canada. The latest statistics indicate that the murder rate in Canada is about 1.2 per 100,000. In Holland, the rate is .04; in Norway, it is .05; in Sweden, .08; in Denmark, 1.00 and in West Germany, 1.2. These are, for the most part, jurisdictions where the death penalty has been abolished for about 100 years and in every case except one the murder rate is lower than it is in Canada, while in the remaining case it is no worse.

The figures in the United States are of some assistance. In six states of the United States which have abolished the death penalty, the figures for 1958 indicate that the murder rate was 1.83 per 100,000. In the 42 states which retained it, the murder rate was 7.04. Again, the available statistics indicate that capital punishment has no deterrent value at all. In New Zealand, between 1946 and 1950 when the death penalty was not in existence, the murder rate was 6.7 per 100,000. In 1956, when it was reintroduced, the murder rate rose to 8.7. Hon. members can examine any jurisdiction they please. They can take any group of 40 or 50 countries representing both industrial and rural societies, both developed and underdeveloped nations, or having different levels of education, and still any evidence which is available will indicate that the incidence of murder bears no relationship at all to the existence or non-existence of the penalty of capital punishment.

In any event, the death penalty is very rarely invoked. In the United States, where there are 7,000 murders every year, only some 50 murderers are executed. What is the deterrent value of a penalty which is so rarely invoked? Again, the death penalty is highly discriminatory in its nature. Those most likely to die are the poor, members of minority groups, the unintelligent and the friendless. The warden at Sing Sing who accompanied 149 men to the death chamber reported that in every case they were men who had no money. More than half of all those executed in the United States are Negroes.

The death penalty does not even begin to deal with the vast majority of murders classified as family murders—cases where a wife murders her husband, or the husband murders his wife, or one of them murders the children. The amendment to the Criminal Code introduced in 1961 tried to deal with the subject and it seems to me it is time for us to go all the way and abolish the death penalty completely.

The only real advocates of capital punishment are the police, who claim it is a deterrent to planned murders. In this regard, the death penalty certainly did not prevent the most infamous planned murder of our generation—the murder of President Kennedy. This was a murder carefully planned in advance and there is no evidence that there was any deterrent value at all in the fact that the state of Texas retains the death penalty.

In 1962, Ronald Turpin and Arthur Lucas were hanged in my own city of Toronto. The next night, in the shadow of the jail, a man was stabbed to death. As I have said, all the evidence indicates that the death penalty as a deterrent to murder is completely ineffective. Some have argued that it provides protection for the police. If this were so, there might be some reason for retaining it. The only comprehensive study made in this regard was conducted by the University of Pennsylvania. The chiefs of police of some 10,000 towns reported on cases of murder in which the victims were police officers, and an analysis showed no difference whatever between the positions of states which had

retained the death penalty and states which had abolished it. Some police officers here claim that the existence of the death penalty for murder keeps criminals from moving into their jurisdictions. It seems to me that this contention cannot stand up, because if criminals in the United States wish to move into jurisdictions where there is no death penalty, they have six states of their own from which to choose. Others contend that the loved ones and relatives of a murdered person suffer and that the dependants of the murderer, the people left by him, should therefore suffer, too.

But surely, Mr. Speaker, the care and attention to be devoted to the families of those who are murdered can be better handled through compensation funds and other measures which could easily be devised. The final argument—and it may have some merit—is that public opinion is not prepared to support the abolition of capital punishment. In this regard it is significant that over the years the number of people in Canada who are in favour of retaining the death penalty is steadily declining. I believe the latest figures, taken in 1962, showed that only 47 per cent were still in favour of retaining it. Also it seems to me that in the area of social reforms it is highly necessary that our governments not just follow public opinion but lead it; that our governments should give leadership in areas of reform, rather than wait until a majority of the population want something and then turn around and agree with them.

I think the most important statement in this regard was made by Sir Ernest Gowers who served as chairman of the royal commission in the United Kingdom in 1949. He said as follows:

> Before serving on the royal commission I, like most other people, had given no great thought to this problem. If I had been asked for my opinion, I should probably have said that I was in favour of the death penalty, and disposed to regard abolitionists as people whose hearts were bigger than their heads. Four years of close study on the subject gradually dispelled that feeling. In the end I became convinced that the abolitionists were right in their conclusions—and that so far from the sentimental approach leading into their camp and the rational one into that of the supporters, it was the other way about.

So I suggest that when one examines any of the arguments in favour of the retaining of capital punishment, they cannot stand up on any logical grounds.

My time is limited, Mr. Speaker, and I want to pass very quickly to the arguments in favour of abolition. The first argument, of course, in favour of abolishing the death penalty is that all arguments in favour of retaining it do not stand up unless we are prepared to admit that the real motive is revenge; and if that is the case, we have not really progressed very far from the day when our ancestors dressed in leopard skins and chased each other around with clubs. The other argument against retaining capital punishment, of course, is the impossibility of rectifying a mistake, because the dead cannot come back to life. I know there are safeguards in our jurisprudence—we are all aware of them—but our jurisprudence is administered by human beings, not by calculating machines, and mistakes do occur and there are cases of innocent people being convicted. I have in my hands a book by Judge Jerome Frank in which he outlines some 36 cases of innocent people who were convicted. In the case of those who were executed, the interest in their case dies when they are executed because there is nobody to be released in any event. I spoke last session of the Coffin case. I do not intend to repeat here the arguments I advanced at that time, except to say that if ever there was a case that called for the abolition of capital punishment, it was the case of Wilbur Coffin. We shall await with great interest the deliberations of and the result and report of the royal commission.

Also, Mr. Speaker, capital punishment rules out any hope of rehabilitation of the criminal. Recent studies that have been conducted in forensic psychiatry have indicated that in many cases rehabilitation can take place. There is an interesting study of a young convict in Chicago who was convicted of murder and sentenced to death and whose execution was postponed for eight years. At the end of the eight years the governor of the state commuted his sentence to life imprisonment because this man had been completely rehabilitated. It was stated that to take his life would not be punishment but would only be retribution. As I have said, Mr. Speaker, capital punishment rules out any hope of rehabilitation. Life imprisonment, where it has been tried and where statistical evidence is available, has proven to be just as effective a deterrent as hanging in cases of murder.

It has been said by some that this has not been a particularly distinguished parliament. We have been subject to a great deal of criticism, some justified and some unjustified; but it seems to me that in this bill we have a chance to take a great step forward; to take action that would be heard around the world should we decide to take a forward and progressive step and abolish capital punishment.

Mr. Speaker, my time is running out and I do not really have an opportunity to go into the final problem of capital punishment, which is the whole question of morals and ethics; to what extent the state has the right to take a human life, under any circumstances. Every time we have a hanging in Canada, this country

undergoes a sort of crisis of conscience, where a man waits to die and the whole nation debates whether or not he shall die; and it usually resolves into a tug-of-war between the primitive passion of revenge and the civilized idea of compassion. We kill, I think, largely from revenge. I think we kill because we fear, not because we think these people are beyond rehabilitation. I think we kill in the blind and futile hope that others will not repeat the crime. I think we do it because we do not yet understand that murder has its roots in the ills of our society, poverty and ignorance, lack of opportunity and all the other ills with which we try to deal in this parliament. I think we do it because as yet we do not really respect human life.

The ministry of justice in Belgium—where their last execution was 100 years ago—put it this way:

> The lesson has been learned that the best means of inculcating respect for human life is to refrain from taking it even in the name of the law.

I wonder to what extent a society that takes human life can invest its citizens with respect for human life. These, as I say, are arguments that would take a great deal of time to develop; they are matters of conscience. However, I hope that some day we shall have a chance to deal with them in this chamber. In summation, Mr. Speaker, I merely want to reaffirm that the arguments of the deterrent effect, protection of the police, etc., are not borne out by any available statistics that I can find; that the case in favour of the abolition of capital punishment has never been refuted on anything but opinion evidence; that as far as I can see, and on all the evidence, life imprisonment, where it has been tried, has exercised the necessary degree of effective deterrence.

Therefore in conclusion I merely wish again to reaffirm my position. It seems to me that the abolition of capital punishment is in many ways a plea that we put our backs to the past and try to turn our faces to the future. I think we are trying to establish a regard for human life that does not exist at the present time. I think we are trying, essentially, to argue for a time when reasons of revenge and hatred do not dictate our decisions, and for a time when we can learn somehow through reason, judgment and understanding that all life is worth saving and that compassion is the highest attribute of our society.

Mr. Robert Temple (Hastings South): Mr. Speaker, since the earliest days of civilization men have been concerned with capital punishment and its effects on the aggrieved person or persons, the criminal and the community as a whole. Today I become one of those who have given some thought to capital punishment and its social effects. Crime or criminology has only recently become a science of which we know much, or rather have studied as such.

In the days when Babylon was at the height of its prominence the generally recognized and accepted law was that in all criminal matters the maxim of "an eye for an eye and a tooth for a tooth" should prevail. Today such a rudimentary concept fills us, or should fill us, with alarm and yet as history, and supposedly civilization, advanced we find that this old maxim "an eye for an eye and a tooth for a tooth" has not only remained but has become worse. The Romans punished parricide by sewing the condemned in a sack with a dog, a cock, a viper and an ape and casting all into the sea or river. In eighth century England all laws made distinction between different classes of men, not only between slaves and free men but between different classes of free men, and all laws assumed that the family bore a share of responsibility for the wrongs done by its members and was entitled to some compensation for wrongs suffered by kinsmen.

In plain English the effect of the eighth century Anglo-Saxon procedure is this. A man accused of assaulting a fellow citizen needed the good opinion of the village to get off. If he had it, he would not be convicted; but if he committed his crime against the lord of the manor, then he only got off if he had sufficient testimony from the other local land owners. If the accused person persisted in his protestations of innocence and did not have the good opinion of his fellows, he had to submit to ordeal. The ordinary ordeals were by water or fire—a hot iron weighing one pound had to be carried, or the arm plunged up to the wrist in boiling water. For a threefold ordeal the weight of the iron was three pounds, or the arm had to be put in up to the elbow. The hand was then bound and sealed up and kept bound for three days. If, after three days, the hand showed raw flesh the man was guilty. If the hand healed he was innocent.

These ordeals were accepted by eighth century England. It is reported a great number of convictions were obtained, almost as many convictions perhaps as would have been the case under the proposed bill no. 99 in the Ontario legislature, whereby accused people would be denied legal counsel, habeas corpus would be removed, Magna Carta done away with, and people put in jail for days on end and kept there if they failed to answer

questions. It has been said that this bill no. 99 would apply only to selected persons, but I hate to think who the selected persons might be. I do not know whether they would have been Liberals first of all or who they might have been, but being a little bit selective is a dangerous thing, like a little bit of something else which I am sure the hon. member for Edmonton West (Mr. Lambert) is thinking about now.

Mr. Lambert: What about west coast Japanese?

Mr. Temple: Fortunately bill no. 99 was K.O'd. in the second round. Cassius Clay, the world heavyweight champion, took seven rounds to win the championship, but it just goes to show that many a Cassius has feet of clay—and here I am referring to the proposed bill no. 99.

Then 900 years later in the 17th century in England we might logically suppose that men were much more enlightened than their forebears of the eighth century. Yet we find that in 1650 an act was passed in England punishing adultery with death, and this savage penalty was actually inflicted in two or three cases. After that even puritan juries refused to convict and the law was set aside as unworkable. This was rather remarkable, in that history shows us that it usually take a long time for legislatures to change a criminal law which is not supported, nay is even despised, by the majority of the people.

People in the seventeenth century or in the eighth century were no less intelligent than people of the twentieth century. Rather, the power of traditional thought was very effective in keeping men's minds closed to the facts which were not in accordance with traditions. Previous to the time of William Harvey, whose work was done early in the seventeenth century, the ablest and most intelligent persons had no proper concept of the circulation of the blood. They believed the arteries were filled with air. Harvey's findings gained very little headway during his lifetime and were contradicted most strenuously by scientific men. This was due again in a large part to that tradition of thought of which I have spoken.

It is not my intention to be maudlin in describing the various tortures and punishments inflicted in England, but I feel that we must look at these punishments in order to grasp the change in men's thinking. Of course, when I say men I mean both sexes, and it may be that a large credit for the reforms that have been made are due to the influence and innate gentleness of the female sex.

In 1530 an act was passed in England which prescribed boiling alive for certain convicted persons. Burning alive was another penalty for a certain number of crimes and lasted until 1790, only 174 years ago. From 1525 until 1550 it is said 72,000 executions were performed in England. Nevertheless crime increased and during the eighteenth century the criminal code of England contained 240 different capital offences. At the dawn of the last century death was a penalty for such misdemeanours as unlawfully killing, hunting or stealing deer, unlawfully killing or netting fish out of any pond, cutting down or destroying someone else's trees, sending threatening letters; and, of course, thefts of over five shillings from a shop or over 40 shillings from a private house were also punishable by death.

From time to time men have protested against these outrages. One such person was Cesare di Beccaria, a Milanese nobleman whose book "Crimes and Punishment" published in 1764 denounced torture and established a basis for a scientific treatment of criminology. This book was a tremendous sensation among enlightened people all over Europe. However, Beccaria was denounced by his critics—and they were many—as a fanatic, an impostor, a fool, a madman, and was charged with having sought to endanger governments and seduce the public; while torture was upheld by these critics as a benefit and a mercy to a criminal by purging him in his death of falsehood.

Due to the efforts of such men as Beccaria, we have in Canada at the present time but three offences punishable by death. They are treason, murder and piracy with violence. However, let us look at and study carefully the death penalty. It can be attacked on several grounds. I propose to deal with it on the grounds that it fulfils no useful function and that it will be remembered by future generations with a sense of loathing and incredulity. The argument is put forth that fear of the death penalty is a major deterring influence on the crime of murder. Yet in those countries and states which have abolished the death penalty for murder there has been no increase in the crime. My hon. friend from Danforth (Mr. Scott) gave a very learned discourse a few moments ago in this house on this very matter. Neither has there been a lessening of this particular crime. The only logical conclusion at which we can arrive is that fear of the death penalty is no effective deterrent.

It is also argued that it prevents the repetition of the same crime by the same person. I shall quote the late Warden Lewis E. Lawes of Sing Sing prison. These extracts from his book "Life and Death in Sing Sing".

The argument that capital punishment is necessary for elimination of murder is faulty: It must

not be forgotten that the death penalty has been tried before on a colossal scale, judged and found wanting.

The further assumption that the murderer is a dangerous criminal from whom society must be protected by hanging or capital punishment is flatly disproved by the figures which show that 90 per cent of the men and women convicted for murder had no previous felony record whatsoever.

Finally Warden Lawes asks this question:

Is it necessary to kill a murderer? It is surely not a deterrent example to perform an act furtively. If the state really believes that execution is necessary to deter others, it should execute openly and unashamed. Does not this furtiveness carry the suggestive thought that the spectacle of legalized killing by the state breeds on the part of the unthinking mass a hardened outlook towards murder which is harmful rather than effective as a deterrent?

It may very well be that my thoughts and feelings toward capital punishment are not shared by the majority of Canadians who approve of capital punishment and believe it is right. That a thing is widely believed is no guarantee of its truth. For a much longer time than the present view has prevailed, it was universally believed that the sun moved around the earth; the whole world believed in the existence of witches, and up until the time of Columbus the prevalent belief was that the world was flat. Therefore the fact that belief in the desirability of capital punishment is both widespread and of long standing is not by itself a guarantee that it is the true solution. We have seen that savage punishments have neither reformed the criminal class nor acted as a deterrent for the future.

There was something which was brought to my attention yesterday that might be of interest to this house. It was a decision of the Supreme Court of Canada which voted on a split decision, if I may put it that way, that an accused person from Quebec, who had been condemned to death at his original trial and who subsequently had his execution sentence set aside by the court of appeal of the province of Quebec which ordered a new trial, be now executed, and that the decision of the Quebec appeal court be set aside. This was by a majority decision of six to three in the Supreme Court of Canada.

I submit that when there is, for whatever reason, anything less than a unanimous vote in a court of appeal or in the Supreme Court of Canada on a matter affecting a man's life, that man should not be executed and instead should at least be sentenced to life imprisonment. I ask the government to take note of this in any amendments that may be proposed to the Criminal Code.

I believe that the legislation enacted some three years ago was a step in the right direction, providing for two classes of murder, capital and non-capital. We have had three years experience of that legislation and, so far as it goes, it has worked very well. However, I would ask that the government study this very carefully over the next year or two in the hope that it will then say there will not be two classes of murder, that there will be only non-capital murder, and that the penalty will be life imprisonment, as suggested in this very excellent bill presented by the hon. member for Danforth (Mr. Scott).

[*Translation*]

Mr. Guy Marcoux (Quebec-Montmorency): Mr. Speaker, although I am not a lawyer or a legislator, I am nevertheless interested in this matter and I should like to say, to begin on a humourous note, that capital punishment should be abolished, at least in the case of bills presented during the hour for the consideration of private members' business, thus permitting us to adopt some of them once in a while.

I suggest we proceed most cautiously regarding abolishment of capital punishment and that we consider seriously every reason invoked in favour of it.

I agree that capital punishment may not be the deterrent we think it is, that it does not constitute a protection for police officers and that it cannot become an instrument of revenge against an individual. I admit that we must provide some social reforms, one of which would be the abolition of capital punishment.

Besides when it has become an accomplished fact, there will still be cases where, for the public safety—and not necessarily that of the policemen since it is their job just as it is the firemen's job to put our fires, even at the risk of getting burned—we will have to find more adequate means of protecting the people.

I still recall that famous case to which I have often referred here—and you could even say that I am obsessed by the idea—that of Dion who was sentenced to several years in the penitentiary and while the judge recommended that he should not be allowed to leave it for reasons which are still unknown, in spite of the numerous questions directed to the Minister of Justice, Dion managed to be released legally through the parole board. Once free, he lost no time in committing murders.

That is what I have in mind when I say that the law must still be made to protect the people. If someone is sentenced to jail for life, there is nothing to prevent him, after ten, 20 or 25 years of perfectly good behaviour, from being paroled, returning to live in society and committing another murder.

It is claimed that we have no right to deprive somebody of his life. But, before a

murderer is sentenced to death, would it not be more logical to give an accurate definition of a real murderer, a killer capable of committing a premeditated murder, and a sick person suffering from mental illness. In my opinion, mentally unbalanced people should not be given a death sentence. They should be treated, or at least some kind of treatment should be tried in their case. On the other hand, life sentences are not given those who are capable of deliberately committing a premeditated murder, in order to enable our laws, not to satisfy any desire for revenge, but to ensure the protection of our people who can always expect to see that individual come out again.

As a deterrent, it has been alleged that a life sentence is similar to a death sentence, except that, in the latter case, the individual will never have any chance of returning to society.

Mistrials have also been mentioned, but they are certainly not a result of death sentences, but rather of loop-holes in our laws. Now, I think that legal means should be taken in order to avoid any possible mistakes. But there is definitely no relationship between capital punishment and mistrials.

In those very few cases, those convicted as a result of a mistrial, as the hon. member for Hastings South (Mr. Temple) pointed out, should be convicted only on complete unanimity. I maintain that when both lawyers and psychiatrists are unanimous in finding someone guilty of premeditated murder, with full knowledge of the facts, capital punishment should be maintained in order to protect the people.

Earlier, the hon. member for Hastings South said that many things have changed since the early days when it was said: "an eye for an eye and a tooth for a tooth". In that respect we know—and I recall it especially since it is Holy Week—that when our Saviour came among us, He said: from now on, it will not be "an eye for an eye or a tooth for a tooth" but "whosoever smite thee on thy right cheek, turn to him the other also" which means that we have to forgive one another and live by charity and love only. He said that we must forgive often, that we must forgive seventy times seven, meaning that we must always forgive one another. But, just the same—He even let himself be sentenced to death following a charge, a political trial, in short for various reasons which, in our opinion, did not warrant the death penalty. But he accepted that fate to show that, in future, capital punishment could be contemplated in some cases; otherwise, I feel He would have refused it himself.

[Mr. Marcoux.]

Before ending my remarks, I would like to add that the hon. member for Hastings South says that something is not necessarily true because most people accept it. We have been saying that for a long time too, we have been saying that the present economic system is not good but, in spite of that, everyone still thinks that it cannot be changed. It is still a good argument.

We favour the abolishment of the death penalty, but until it can be established without any possible doubt that an accused was not entirely sound of mind or that he had not fully premeditated his murder, I feel we must leave in the criminal code a provision to protect the public against true criminals.

Mr. Real Caouette (Villeneuve): Mr. Speaker, the question raised in Bill C-12 with respect to capital punishment is certainly a much debated one throughout Canada.

Some people claim that capital punishment must be maintained and others state that it should be abolished.

Moreover, if we consider section 75, paragraph 1 of this bill, we see that there is not much change as compared to what existed previously.

I quote:

(1) Everyone commits piracy who does any act that, by the law of nations, is piracy.

Now, what is suggested in Bill C-12 is exactly the same thing as in this paragraph 1.

But it is paragraph (2) that this bill would change, and paragraph (2) read previously as follows:

(2) Everyone who commits piracy while in or out of Canada is guilty of an indictable offence and is liable to imprisonment for life, but if while committing or attempting to commit piracy he murders or attempts to murder another person or does any act that is likely to endanger the life of another person he shall be sentenced to death.

Now, the new section, paragraph (2) says:

Everyone who commits piracy while in or out of Canada is guilty of an indictable offence and is liable to imprisonment for life.

In the explanatory notes, this is specified:

The purpose of this bill is to provide that hereafter a person shall not, except in certain cases of treason, be sentenced in Canada to suffer death for murder but that such a person shall hereafter be liable to imprisonment for life.

Now, what does Bill C-12 mean by:

"except in certain cases of treason"?

For instance, is it not treason for an individual to disguise as Santa Claus and kill two policemen in the very centre of the city of Montreal at noontime? Is it not treason to deprive children of their father and a wife of her husband? In the case of sure premeditation—because the bandit is then ready

for any eventuality—is it treason of the Canadian community where this individual may live?

The first part of the explanatory notes reads as follows:

> The 1960-61 act to be repealed has the effect of dividing murder into two kinds, capital and non-capital; and of providing death as punishment for capital murder and imprisonment for life in the case of non-capital murder.

Mr. Speaker, when it is clearly established that the murderer knew full well the seriousness of his act, I feel that he should pay with his own life for the one he has taken.

On the other hand, miscarriages of justice have been known to happen. For instance, an investigation is going on at present in the province of Quebec concerning a well-publicized case, that of Wilbert Coffin who was executed in 1956, after two or three trials and after three years of detention in jail.

And today they are trying to find reasons to exonerate or rather rehabilitate the memory of Wilbert Coffin.

Mr. Speaker, I think that the Coffin case was not clear in 1956, and many jurists readily admit it. There was no conclusive evidence that he was the murderer of the three American tourists in the Gaspe peninsula. This was not, in my opinion, a capital murder, and I feel the criminal code should be amended so as to prevent such a miscarriage of justice.

It may be that Coffin was guilty, but then maybe he was not. In such cases, the accused should be given the benefit of the doubt and not be sentenced to death. I feel that the majority of Canadians would welcome such an amendment to the Criminal Code.

But, Mr. Speaker, throughout the country, there are criminals who do not hesitate to fire on policemen, on fathers and mothers of families, on taxi drivers to steal money from them.

These days we hear more and more about hold ups. As a matter of fact, it was even said that there had been a hold up every minute in the city of Montreal recently during almost a whole night. Those are the hold ups that are reported. What about those which are not?

I feel that there must be a way to improve the situation, and it is not by reducing sentences that we will prevent people from stealing or engaging in hold ups or having the nerve, the audacity to kill anyone they find in their way.

Mr. Speaker, the hon. member for Hastings South (Mr. Temple) pointed out to the house a short while ago that we no longer live in the middle ages or in ancient or primitive times.

But, even if we are living in modern times, we must be cautious and know where we are going before proposing the abolishment of a punishment which in certain cases certainly proves to be the best.

When we see people die in such a way, even friends in certain cases, I can assure you this makes one think twice about the advisability of abolishing capital punishment.

Mr. Speaker, this bill and other similar ones have been introduced here for a number of sessions. Life sentence has been suggested rather than capital punishment. To deprive someone of freedom for a lifetime, I wonder whether it is more Christian and more modern than to punish him according to what he deserves, according to the seriousness of the act he committed.

We consider only whether a murder is capital or non-capital to determine exactly if capital punishment should be maintained or not. I feel that capital punishment should be maintained for capital murders. In addition, as suggested earlier by the hon. member for Hastings South, legal proceedings should be more thorough so as to establish exactly the seriousness of the offence committed.

[*Text*]

Mr. Hubert Badanai (Fort William): Mr. Speaker, the hon. member for Danforth (Mr. Scott) is to be commended for bringing this important matter to the attention of parliament again. The reason I have risen to speak in this debate is that I have taken part in previous discussions of this subject, notably on the several successive bills which were presented and moved in the house between 1958 and 1962 by the former member for York-Scarborough, Mr. Frank McGee. I spoke on those occasions and I propose to speak now in support of the principle of abolition of capital punishment. After each occasion in the past when I expressed my views against capital punishment I received letters from my constituents and others both for and against the retention of the death sentence, with the number favouring abolition on the increase over previous years.

Undoubtedly, the general feeling swaying toward abolition had the effect of influencing the previous government in the introduction of Bill No. C-92 in May of 1961, the passing of which had the effect of dividing murder into capital and non-capital categories. I think this was a step in the right direction.

The *Globe and Mail* devoted an editorial to commenting on the passage of Bill No. C-92 in 1961, and concluded with these words:

> The new amendment 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 or her crime?

This issue, however, is still between two schools of thought, one thirsting after justice in a mood of vengeance and the other urging the practice of Christian charity and the rehabilitation of criminals. Mr. Kirkpatrick, an executive director of the John Howard Society for Ontario, speaking on deterrence, had this to say:

> The belief behind deterrent punishment is that behaviour can be controlled by fear; therefore, the argument goes, severe treatment of a criminal is effective in two directions at once: It deters the criminal himself from committing another crime and, by the example of his punishment, it deters others from wrongdoing.

Notable figures in the religious life of this country have gone on record as being in favour of abolition. Still others have expressed opinions to the contrary, holding to the belief that fear of the death sentence is a restraining force against murder. Personally, I share the views of those who believe that there is no valid guarantee that the fear of punishment by death is a definite deterrent.

Consider the proportion of murders committed in circumstances of sudden passion which are not deterred by threat of consequences and consider also crime such as robberies, from which murder might result, which are deliberately planned to avoid detection. Consider also the risk of executing an innocent person.

May I cite as an example 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 man by the name of Christie, who lived in an apartment in the same house as Evans, was arrested and convicted of having murdered several women including Mrs. Evans, for whose murder her husband was hanged five years before. Consider the case now under investigation known as the Coffin case in the province of Quebec. There are others that could be cited.

The debates on capital punishment during 1959, 1960 and 1961 revealed the tremendous interest in this subject which the whole country shared. It was a practical demonstration of the feelings of the people on the matter which were, for the most part, still divided. Those who still favour the retention of the death penalty for crimes involving murder believe that death is the only effective deterrent against murder. While I respect the views of those who hold the opinion that the death sentence is a restraining force against murder, the experience of nations, including the United States to the south of us, is such that it does not bear out this contention.

The hon. member for Danforth (Mr. Scott) mentioned some of the nations that have abolished capital punishment. I could add Belgium to that list, which abolished capital punishment in 1863; Luxembourg in 1822; Portugal in 1867; the Netherlands in 1870 and Italy in 1890. The death penalty was restored in Italy during the fascist regime but was abolished again in 1948. The northern states south of the border might also be included, and this is not a complete list by any means.

I should like now, Mr. Speaker, to read an extract from the report of the royal commission on capital punishment in Great Britain in 1949. At page 53 of the report the commission said:

> Capital punishment has obviously failed as a deterrent when 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.

I see that the time is getting short, but I should like to say that I do not propose that the government should bring in a bill to a divided parliament, on a subject about which there is divided opinion in the country. I am in favour of letting this question come to a free vote eventually, and letting every member vote according to the dictates of his or her conscience.

Some hon. Members: Question, question.

Mr. Badanai: The retention or the abolition of capital punishment is not a subject of government policy or party line. This is an emotional subject, Mr. Speaker, and one of religious conviction, overriding any and all political considerations.

I believe it is six o'clock.

The Acting Speaker (Mr. Batten): It being six o'clock, the hour for the consideration of private members' business has expired.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

THE BUDGET

ANNUAL FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The house resumed consideration of the motion of Hon. Walter L. Gordon (Minister of Finance), that Mr. Speaker do now leave the chair for the house to go into committee of ways and means, and the amendment thereto of Mr. Nowlan.

Mr. Gordon: I am sure I speak for all hon. members when I express our grateful thanks to the hon. member for Assiniboia (Mr. Watson) for supplying us with this souvenir, as he puts it, or symbol, of Saskatchewan. I think we are all pleased, too, that it is no longer necessary to dispose of the great product of the farms of Saskatchewan in this somewhat retail maner, and to think that nowadays this sort of stuff is being shipped in large quantities to people all over the world who need it very badly.

An hon. Member: This sort of stuff?

Mr. Knowles: What grade is it?

Mr. Gordon: With great respect to the hon. member for Winnipeg North Centre (Mr. Knowles) who is an expert in many things, I made some inquiries as to the grade of this product a minute ago from someone who really knows, and he said is was either grade two or grade one. It could be grade one, but he thought it was grade two.

Just before five o'clock I said that almost 60 per cent of the total expenditures of the federal government for the current year, that is the year ending March 31, 1964, is on such things as old age security, hospital insurance, family alowances and other social security benefits, debt charges and such items as vocational training and grants to the municipalities and to the provinces. I should like to remind hon. members in a little more detail of the breakdown of federal government expenditure for the year ending March 31, 1964. Old age security payments will amount to $809 million or 11 per cent of all estimated government expenditure for the current year. Hospital insurance, family allowances and other social security benefits amount to $1,152 million or 15 per cent of the total. Veterans benefits come to $266 million, or 3 per cent of the total, and public debt charges for the current year to $991 million, or 13 per cent; vocational training and grants to universities account for $165 million, or 2 per cent; grants to provinces and municipalities, including payments in connection with the trans-Canada highway, to $332 million, or 4 per cent of the total, and other grants, contributions and subsidies account for $770 million or 10 per cent, making a total in this particular category of items of $4,485 millions which accounts for 58 per cent of the total expenditure.

Expenditure on defence amounts to $1,699 million, or 22 per cent, accounting together with the items just mentioned for 80 per cent of the total. Capital expenditure stands at $225 million, or 3 per cent of the total and the cost of administration, operation and maintenance, including transportation, research and other government services, amounts to $1,292 million or 17 per cent of the total, the total being $7,701 million.

It will be noted that 58 per cent of the total expenditure this year is devoted to social security benefits and the other items I have mentioned. If defence expenditures are added, we get a total of almost exactly 80 per cent of all government expenditure for 1963-64. This leaves a balance of about $1,500 million, or 20 per cent of the total, to cover capital expenditure and the administration, operation and maintenance of government services including, as I have said, transportation, research and all other government services.

I suggest that those who advocate a reduction in expenditure should say what they have in mind. We hear a lot from certain editorial writers about the desirability of balanced budgets. At the same time, the same people—and I might include the hon. member for Pontiac-Temiscamingue (Mr. Martineau) among them—usually advocate tax cuts. Should one ask them how the federal budget can be balanced if taxation revenues are reduced, they usually say, somewhat airily, that the proper thing to do is to reduce expenditure. Then they stop. Very few of these people are prepared to state which expenditures they would like to see reduced.

The New Democratic party did this in its subamendment. Members in that group said they would cut defence expenditure. I ask: Is this what the Conservative party has in mind? Or would hon. gentlemen opposite have us cut down social security or veterans benefits? One hon. member opposite said something about "wasting all this money". Let them state clearly just what they would do, or what they would have us do.

Mr. Grafftey: You said you were going to do it.

Mr. Gordon: The other day, Mr. Speaker, the Conservatives moved an amendment to the throne speech criticizing the government for not extending family allowances. As the hon. member for Medicine Hat (Mr. Olson)

pointed out on March 19, if enough hon. members had voted for that amendment, the government would have been defeated, and this would have made certain that there would have been no extension of family allowances at least until after another general election.

Some hon. Members: Oh, oh.

Mr. Starr: This is a powerful speech.

Mr. Gordon: You really cannot have it both ways. I might say, Mr. Speaker, another general election which, we are led to believe, the great majority of Canadians do not want.

Mr. Grafftey: Did they want the last one?

Mr. Winkler: Who forced the last one?

Mr. Gordon: I suggest, Mr. Speaker, that if enough hon. members vote for the amendment now before us, it will have the same effect; the government will be defeated, if enough hon. members vote for this amendment—

Some hon. Members: Hear, hear.

Mr. Gordon: —and the government's proposal to extend family allowances for 16 and 17 year olds who remain in school will also be defeated.

Some hon. Members: Oh, oh.

Mr. Gordon: Let us make no mistake about this.

Mr. Churchill: Social Credit are getting nervous.

Mr. Gordon: The Conservative amendment is a vote against the budget; therefore it is a vote against extending family allowances.

Some hon. Members: Oh, oh.

Mr. Crouse: Same old bunch.

An hon. Member: Who wrote that for you?

Mr. Gordon: I hope that all hon. members will consider this very carefully before the vote tonight.

Mr. Starr: What a childish speech.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I do not think I have ever known the Minister of Finance (Mr. Gordon) to be in more humorous vein than he has been this evening and this afternoon. Under normal circumstances the hon. member for Queens would have spoken. That was the arrangement. It was only when the Minister of Finance chose to make some references to the Leader of the Opposition that I felt constrained to say a few things that otherwise might have been left unsaid.

What I intend to do, as far as I can, is cover the various matters that the minister dealt with in his second budget speech. We are getting used to this, Mr. Speaker. Last year we had the budget; then we had the revised version; then we had the revision of the revision. I felt sure, when he rose today, while I could see nothing in the budget he presented that would require him again to retreat, he must have found something that would enable the government to maintain that record of fiscal irresponsibility they have shown since taking office.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: As I listened to the delivery of the budget only a few days ago I was reminded of those immortal words of the Prime Minister (Mr. Pearson) delivered on April 23 last, when he pledged Canadians in the following words:

> A time to excite the daring, to test the strong and to give new promise to the timid.

An hon. Member: He was talking about the Minister of Agriculture (Mr. Hays).

Mr. Diefenbaker: That was almost ten months ago. During the supper hour I naturally gathered together a few notes, and I found that the Minister of Finance on February 14 gave the country as a whole an insight into the budget that he was going to produce. I find this report in the Windsor daily *Star*, in an article by Mr. Maurice Jefferies:

> As he was entering the cabinet meeting Thursday the finance minister was asked to comment on this week's Ontario budget. All he would say was that he was working on his own budget.

Then this appears in quotations:

> "And it will please everybody".

That was a couple of months ago. What of this budget? Well, Mr. Speaker, it indicates a government that has run out of ideas and programs.

An hon. Member: They never had any.

Mr. Diefenbaker: They have not been the same since the 60 days of decision. Then they ran so fast and in so many directions that they have been out of steam ever since. It has been one of the most unusual revelations these last few months to watch a government that was so full of promise during the election campaign. The first budget produced by the minister was a failure, and that was explained on the ground that it was the work of amateurs and self-constituted experimenters. The second budget is a failure, although it now is the product of the hon. gentleman himself. I think of "As You Like It" and a line from that play:

> An ill-favoured thing, sir, but mine own.

It has been an amazing performance. The *Globe and Mail* of Toronto said last week

the first budget produced by the hon. gentleman was a farce verging on tragedy. The second has been tragedy verging on farce. I intend to deal with this budget in some detail along the lines indicated by the hon. gentleman. Last June he rushed in and produced a document of which he has heard much, and which for the first time today he defended. He defended that budget as having produced results in the economy; and if the results were produced as a result of the action of the government, then I would understand that he would naturally be boasting. But I have the record here—not the record of partisanship exhibited again today by the hon. gentleman, but the record of the report of the Bank of Canada, as well as the white paper that was issued prior to the budget being produced. It is with that I intend to deal particularly. Where are the promises of yesteryear?

An hon. Member: Gone with the wind.

Mr. Diefenbaker: Where are the 10,000 university scholarships? They are on the way, says the parliamentary secretary. Well, they have been on the way for a long while. In default thereof loans have been made available to the student body of Canada, provided those loans are acceptable to the provinces when they meet in the dominion-provincial conference. Indeed, the ministers themselves are uncertain in that regard. I need only refer to the fact that a few days ago the minister of whatever-it-is—

Mr. Nowlan: Forestry.

Mr. Diefenbaker: Yes, the Minister of Forestry. Mr. Speaker, I just cannot keep up with their peregrinations. He made a statement on this subject, and I would be very interested in having the Prime Minister (Mr. Pearson) indicate whether the uncertainty prevailing between ministers is an example of cabinet solidarity. This is what the Minister of Forestry (Mr. Sauve) said, as reported in *Le Devoir*:

> During a discussion on biculturalism he clearly made it understood that the federal loan fund for students encountered strong opposition because the provinces had nothing to do in the determination of that priority.
>
> "How can you do something for somebody when you don't even know if he wishes that you do it for him?"

There is some solid philosophy which could only have come out of the woods. The report continues:

> Someone having suggested that it is only due to sentimentality that loans to students are objected to, Mr. Sauve answered back "But where was the consultation in all this?"

That is one of the things they boast of, Mr. Speaker. The other thing which the minister boasted of today was that the government was going to bring into effect family allowances for those between 16 and 18 years of age. On February 25 last the hon. member for St. Hyacinthe-Bagot (Mr. Ricard) moved a motion in that connection, and what happened? Every one of them on the government side voted against it. They said it was wrong, that they were not going to support it. And what has happened in the intervening two or three weeks? That indicates what an opposition can do to convince a government of the error of their ways.

Now, Mr. Speaker, what does this budget mean? What items are there in it other than the ones to which I have referred? As a matter of fact the situation is this, that we have a minister who a few months ago said that what we require in ministers of finance is flexibility. Flexibility may be a great thing. There was certainly a wide degree of flexibility between the first and second budgets. Tremendous and vast changes have taken place during the intervening period. The defiant minister of last June has become the suppliant minister of the last few minutes when, as he turned to his friends in Social Credit, he said: "Don't vote against us", knowing in advance their answer—"with you, aye, ready", regardless of what the government does. He called upon them for assistance.

Last year he started out against the currents of orthodox financing and produced a mixture of confusion and frustration. He tried to jump over a chasm in two jumps, and he is now trying to jump back again to solid ground. You cannot say, however, that this is a government which imitates the United States, because he made very clear this afternoon that though they might cut taxes down there that would not be done here. He asked how we could cut taxes. They can be cut if expenditures are cut, but this government has increased expenditures far and above previous years.

What about their policies, Mr. Speaker? I simply want to clear up a few matters this evening. What is there in this budget for the average taxpayer? Simply $390 million more in taxation because of the budget last year. What is there for business? He quoted this afternoon from one man, but I should like him to quote the letters that condemned him. For every one which he quoted this afternoon there would have been multitudes to the contrary, and I can imagine the search which he made in order to find one in his favour. There is nothing in the budget for the wage earner, nothing for labour and nothing for the economy. What kind of a budget is this? This is a phenomenon budget. This is a budget which cannot be explained

in logic. This is a budget that simply produces the kind of speech made this afternoon —a defensive speech—because the minister was well aware that what had been produced would in no way benefit the economy.

I intend to refer to the various measures which we brought in, to show—

Some hon. Members: Oh, oh.

Mr. Diefenbaker: Mr. Speaker, this simply underlines what has been said before, that hon. members over there have not read the Bank of Canada report and the white paper, otherwise they would not be indulging in interruptions at this time. This is a budget full of weird uncertainties. Its diversity cannot be explained by human reason or logic. As I say, it is a phenomenon budget, and I should like to deal with it in some detail. As he pictured its wonders this afternoon, with all his arguments and wealth of statistics, I could only think what a medicine man he would have made as he placed before the house and the country the benefits of those measures which we placed on the statute books, adopting them as his own. I can only think of "Old Doc Gordon's miraculous economic elixir," which he has endeavoured to make palatable to the Canadian people.

Now, Mr. Speaker, let us find out where these things of yesteryear are. He did not speak of the Canada development board. Where has that gone?

An hon. Member: Under the rug.

Mr. Diefenbaker: Under the rug? Far deeper than that. This was going to be the salvation of the nation. I remember last year when he came to the house and said—I will not say with arrogance; I would call it naïveté —that he was going to bring in a Canada development plan involving hundreds of millions of dollars to buy back Canada. Now he is doing everything he can to sell Canada, trying once more to sell the shares of this nation. That is why he has backtracked on taxes and given notice of the reduction from 20 per cent to 15 per cent. Where is the grandeur of that policy of last year? In respect of the 30 per cent tax which he imposed, he said that starting from that day this was going to be a tax imposed on foreigners who purchased assets of Canadian corporations in Canada. When he brought it in he said that this was going to be the greatest thing which had ever been produced. I have it in my copy of "Troubled Canada" that this was the policy of the Liberal party; that this was the policy which he sold to the leader of the Liberal party and to others.

Three days later he suspended it, and the following day he completely removed it and we have not heard of it since. Where are the promises of "Troubled Canada"? I would imagine that that book would enjoy quite a large sale because all one has to do is read it to find out how far its author has wised up since he became a member of parliament.

He has turned away from the views he expressed in that book. He has pitched out his pet theories and espoused those things which, when the Liberal party was in opposition, it attacked as economic heresy. The Liberals attacked devaluation. They said it was wrong. They pictured Canada as bankrupt. They said never before had there been anything like it, but what do they do today? After having condemned, ridiculed—yes, libelled—now they say, "I thought of it first." That was the explanation today.

I say to the Minister of Finance that he deliberately deceived the Canadian people in 1962 and 1963. He knew what he was saying, and every one of those members opposite knew what they were saying was false, but they placed before the Canadian people the idea that Canada was bankrupt.

We said devaluation would expand the exports of the country, and it did. We said devaluation would bring about the greatest tourist traffic in Canada's history, and it has. We said devaluation would assure the reduction of imports into Canada and thereby assure our Canadian manufacturers of greater opportunities, with more jobs for those who worked for them, and it has.

These are the things we stood for. What did the Minister of Finance say? I quote from him exactly what he said. I hear this was one of his statements:

> There is going to be a nosedive in the dollar.

At another time he contended that the dollar was not worth 92½ cents. In January, 1963, this miracle worker, this man who speaks today with the authority of experience in what he produced last year, forecast an economic slump. That was in January 1963 after Canada's gross national product had increased by 8 per cent in 1962. This person, for political purposes, falsified the facts.

The other day he pointed out—and he repeated it this afternoon—that Canada's economy had started to rise in 1961 and had continued to rise ever since. But what did he say in January 1963? I quote:

> Most analysts agree that the slowdown has already started.

Some hon. Members: Shame.

Mr. Diefenbaker: I say to the minister, you falsified the facts and you know it.

Mr. Gordon: Mr. Speaker, I accuse the Leader of the Opposition of falsifying the facts now, and ask him to withdraw that statement.

Mr. Diefenbaker: When this miracle man is faced with the facts and quotations from his own speeches all he can say with that childish attitude is, "You too."

Mr. Gordon: On a point of order—

Mr. Diefenbaker: I have got the floor.

Mr. Gordon: On a point of order—

Some hon. Members: Oh, oh.

Mr. Diefenbaker: I say to the minister—

Mr. Gordon: On a point of privilege, Mr. Speaker.

Mr. Speaker: Order. The Minister of Finance on a point of privilege.

Mr. Gordon: I have asked the Leader of the Opposition to withdraw a false statement.

Mr. Diefenbaker: Mr. Speaker, I quoted from what the minister said. Is the report false? I am quoting from the kind of thing that we faced in two campaigns.

Mr. Speaker: I can say with deliberate modesty that the speeches this evening are very interesting. However, the use of the word "falsify" is pretty strong language. Sometimes it could be considered descriptive. Sometimes it could impute motives, and I take it—in fact I understand that the Leader of the Opposition is not imputing a personal motive.

Mr. Diefenbaker: It could not be more correct. I am simply saying that the statements made in the campaign were falsified.

Some hon. Members: Hear, hear.

Mr. Gordon: Mr. Speaker—

Some hon. Members: Sit down.

Mr. Gordon: Mr. Speaker, I have asked that the Leader of the Opposition should be instructed to withdraw these remarks.

Mr. Speaker: It has been brought to my attention, although I was quite able to hear myself, that both the Leader of the Opposition and the Minister of Finance have been using these words "false" and "falsifying", and once more I say that although the word "falsify" is rough and strong, provided there is no imputation of motive that the Minister of Finance deliberately and personally falsified and misled either persons or the country, yet I would caution the right hon. Leader of the Opposition to change the word.

Mr. Diefenbaker: Mr. Speaker, Winston Churchill was once asked to withdraw a statement when he spoke of what had taken place in the house, which I am not doing—I am telling what took place on the outside—and he said, "if terminological inexactitude is parliamentary I certainly substitute it with the greatest of pleasure."

Now, sir, I shall deal particularly with some of the remarks made by the hon. gentleman today. It was an interesting speech he delivered. He spoke with pride of the degree of prosperity in the economy. Then with that modesty which characterizes him at all times he said: Here I am; I brought this about. I intend to quote from documents that he himself produced, not from the three tinkerers of last year. I intend to quote from the white paper for the things that they criticized us about, which were heresy when we were in office and which today have become orthodoxy.

What have they done? What have they produced? I listened today with interest to ascertain what had been brought about. What policies have they inaugurated? What brought about the rising economy in this country such as we predicted would happen? I am going to quote from these two documents which are entirely free of any suggestion of partisanship. I mentioned devaluation a moment ago; I also referred to the import surcharges and to wheat sales, each and every one of them our policies. The hon. member for Assiniboia (Mr. Watson) produced a package of wheat and I can only say when I think of some of the statements made by hon. gentlemen opposite that it is too bad he was not here earlier so that they would have been able to see what wheat was like. They said there was nothing more dangerous than selling wheat to communist countries. They said: This is a terrible thing; this is something we would never countenance. Devaluation? Never under any circumstances. Let me point out that as far as devaluation is concerned the following appears on page 8 of the Bank of Canada report:

> One development that has contributed a great deal to the Canadian economy's performance in recent years has been the improvement in Canada's international competitive position. This was greatly strengthened by the decline in the foreign exchange value of the Canadian dollar in 1960-62—

I refer now to page 47 of the white paper, and I quote this as an answer to the so-called arguments advanced today by the minister as he delivered what seemed to me to be his swan song. On page 47 the white paper says:

> The trend of imports in the current upswing has been affected by a number of factors, including the devaluation of the Canadian dollar, the temporary import surcharges, the pattern of demand, and changes in the structure of the Canadian

economy. Following the imposition of the temporary import surcharges in June, 1962, substantial reductions occur in the value and volume of imports.

What does the governor of the Bank of Canada say in this regard? As found on page 39 of his report he says:

The measures taken in the middle of 1962 to deal with the foreign exchange emergency resulted in a sharp reduction in the current account deficit—

I am simply putting these quotations on the record without observation. They need no interpretation. Again, the minister boasted today of the improvement in the payments position. What brought about the improvement in the payments position? At page 8 of the Bank of Canada report the facts are revealed in these words:

More than half of this improvement can be attributed to the unusual wheat and flour sales to the Soviet union.

I say that if it had not been for the former government selling wheat to communist nations, wheat would never have been sold to the U.S.S.R. With that naïveté characteristic of the minister—

Some hon. Members: Oh, oh.

Mr. Diefenbaker: I hope "naïveté" is not going to jar the sensibilities of the people opposite who interrupt. The minister said we had a crisis in foreign exchange. Does he forget that the Liberal government had a crisis in foreign exchange in 1947? Does he forget that? Has he forgotten that he had one last July which he concealed from the Canadian people until it was revealed in the Bank of Canada report? He did not talk about these things today. How was the last potential crisis, the one that the government concealed from parliament, met? The Bank of Canada report says on page 6:

The announcement in mid-September of exceptionally large export sales of wheat and flour to the Soviet union dispelled immediate concern about the possibility of renewed foreign exchange difficulties for Canada—

I emphasize the word "immediate". In other words, we are not out of the woods yet. The concern is dispelled, provided there is an inflow of investment capital into Canada, and I intend to deal with that. I have already referred to devaluation and I do not want to put any more quotations on the record. I simply say that the Liberals went across Canada and they deceived the people, and I emphasize the word "deceived". Just read the record. I am not talking about them deceiving now; they have become paragons of all perfection and I would be the last to say anything in this house to indicate that they would have that characteristic today. But they told the Canadian people that devaluation was dangerous. What does the Bank of Canada report say on page 51?

—the devaluation of the Canadian dollar improved the competitive position of Canadian industry.

Sir, it is difficult to understand why a political party would have endeavoured to undermine the Canadian economy by statements which have subsequently been proven to be untrue by the very fact that what they condemned they now adhere to.

What about the next step? What about American investment? There the tinkerers really worked. Do you recall how they said we were anti-American? They said we brought about a dialogue. Oh, it has been a wonderful change that has taken place. We go to Washington and we find out what the situation is there. We have the solution now for these problems. Then after having the Hyannis Port meeting the very first thing that happens is that the Minister of Finance proceeds to place before parliament a 30 per cent tax in order to interfere with the movement of capital between our country and the United States. He had to withdraw it. Then he added 5 per cent to the withholding tax, and what happened? The serious financial position in Canada today is only controlled to a reasonable degree by the fact that sales of wheat to communist countries have taken place. In the present budget there is a watered down version. What happened when the policies of the amateur economists who write books were carried into effect? What happened? The Bank of Canada report says that the rate of inflows, that is of United States capital, fell sharply after mid-year.

Page 52 of this report reads in part as follows:

These inflows which exceeded $1,300 million in 1956 and 1957, were reduced to $584 million in 1963.

What do we find? The inflow for the first three months was some $140 million; for the next three months, $390 million and for the third three months, that is the period from July to September, it fell to $98 million. We have not had a report as yet for the last three months, although computations show that the amount coming into Canada instead of being $390 million is down to about $65 million. Why did the minister not tell us something about that this afternoon? What is he going to do about it? There is no answer at all. I had to refer to these matters, sir, because of the fact the hon. gentleman attributed the advance in our economy to the actions of this government and refused to admit that these policies which today receive a eulogy

in the Bank of Canada report, and also in the white paper, were policies introduced by us.

Then, the minister mentioned the tremendous benefits that had flowed from action taken to provide jobs. Let me say this: In 1961 and 1962 we predicted that, as a result of our actions in connection with unemployment, there would be a continuing reduction in the number of unemployed, and that statement was correct. Today he paid tribute to himself and to the government for making possible the technological training of our people in Canada by means of the vocational training scheme. This scheme was introduced by the hon. member for Ontario (Mr. Starr) when he was minister of labour. Today, they say that it was their policy that brought this change about. The total expenditure to date, according to the latest figures I have, for vocational schools is $330 million of which the former administration expended $315 million and the present administration $15 million.

I could go on and set out in detail the promises that were made by the present government and the reliance that they place upon legislation that we put on the statute books and which they ridiculed and loaded with contumely. Let me read now from a dominion bureau of statistics report of March 10 in connection with the balance of payments situation. This answers the Minister of Finance (Mr. Gordon) completely, and the arguments he made this afternoon. I quote:

> Among leading factors in the economic background influencing the balance of payments were rising economic activity in North America and in major markets abroad such as the United Kingdom, Japan and some countries of western Europe. Along with this combination of strong influences was an apparent improvement in the competitive position of Canadian industry.

There are a couple of lines there, but I do not mind reading it all.

> The devaluation of the Canadian dollar in 1962 together with tendencies to rising relative prices and costs in manufacturing countries abroad, has contributed to these changes.

Who extended export credits? The government of which I had the honour to be the head did this. Who made available—

Mr. Nowlan: Doubled, trebled and quadrupled.

Mr. Diefenbaker: Yes, doubled, trebled and quadrupled as the hon. member says. I admire the conservative attitude of the hon. member for Digby-Annapolis-Kings (Mr. Nowlan). They said we were selling for credit to our enemies and taking cash from our friends for wheat. Well, we provided credits.

The next thing is industrial policies. We introduced policies to encourage in Canada, by incentive but not by domination, the extension of industry within our country.

What about defence sharing? Under our government defence sharing mounted greatly in Canada for the first time since 1953 and, for the first time, we had a reasonable share of defence expenditures from the United States. Then, the report says that the temporary import surcharges which were still in effect in the early months of 1963 have also contributed to the change.

Now, sir, I have had to point these things out. I do not like to go over the record like this, but the hon. gentleman insisted that it should be done. What about the present situation? What is going to be done in order to ensure that Canada shall receive her reasonable share of United States investment? I can only point out what the white paper says, and that is that uncertainty continued to prevail in Canadian financial markets. There was virtually no Canadian borrowing in the United States from mid-July until the present time. Why was this? It resulted from the fact these people over there undermined confidence in Canada, and showed foreign investors that they could no longer rely on the integrity of Canadian promises.

I should like also to point out a reference I made earlier, and I would not do this if I had not been dragged into the debate. The Minister of Finance made a statement that we had a financial crisis. I ask him why he has not explained the situation in Canada. Why did he not explain what took place last July and August when they had a similarly threatening situation which was met temporarily by the fact that wheat sales to Russia provided foreign exchange? As I listened today to the hon. gentleman reveal what the present government has done, I noted one of the things he particularly underlined was what had been done to employ men and women over 45 years of age. All I can say in that connection is that the total number is 1,000. There are more than 12,000 over 65, and we do not know how many there are between 45 and 65. The cost was fabulous—that is, the cost of advertising. This is another example of the wasteful attitude of this government in spending hundreds of thousands of dollars on advertising in politically friendly advertising companies.

I am going to turn to the next phase. What about dominion-provincial relations? I see the genial Minister of Justice (Mr. Favreau) here. If I had time I should like to analyse the speech he made last evening. There is one thing you can say about him, and that is he is consistent. It was a great

speech, according to the reports, but it did not get down to any particular. He predicted that a divorce was possible between the provincial Liberal party and the federal Liberal party in the province of Quebec. At least, there would be a parliamentary separation, but there was nothing to indicate what the attitude of the government was going to be on dominion-provincial relations.

This budget offers no hope to the provinces. Where are the items in this budget which will place flesh and blood on the bones of promise? They have set up the skeleton. They said they were going to help out the provinces. What do they intend to do? What is the plan? As a matter of fact I think the present budget, together with the fact that the minister went no further today than he did, indicates that this government, contrary to its pledged word, intends to do nothing other than play around with the question of joint programs. It does not intend to carry out its promise that the provinces will be enabled to have the necessary moneys with which to discharge their responsibilities. In the terms of the present budget I see a calculated and callous affront to the provinces.

I turn, now, to another subject—the attitude taken in connection with the Eskimos. I want to refer to that. The Eskimos are our responsibility under the law and under the constitution. I believe the minister of northern affairs (Mr. Laing) feels very keenly on this subject. But some of the other ministers in the cabinet seem to regard the Eskimo as tradable, as expendable. To carry out the present policy of disposing of them in the absence of a constitutional amendment would not only be unjust and unfair but would make a travesty of the constitution of this country. We do not intend to have the Eskimos, these people who are our responsibility, bartered as chattels or sublet for the sake of political expediency. I do not enter into provincial matters, but I say this: These Eskimos will not be placed in Mr. Levesque's hands just because Mr. Levesque wants them there. More will be said of this, because we in this country have a responsibility towards these people and, again, I emphasize that they cannot be removed from the jurisdiction under whose authority they are constitutionally placed merely by a simple agreement made between the federal government and a provincial government.

I heard nothing in the speech today about that banner with the device "Canadianization of Industry". Canadianization; we heard so much about that. It was in the book. It was also in the report. I will say this to the minister—that the report was one which showed a great deal of work applied to a very large problem. But nothing was said about this Canadianization today. Nothing. Just uncertainty. I ask the minister in connection with Canadianization: Why did he evacuate the Canada development plan? Why did he desert that great principle? Who interfered? Who made it impossible for the hon. gentleman to carry it out? He had the vim. He had the vision of which he spoke. It turned out to be a nightmare. What happened to the Canada development corporation?

He pictured today what was going to happen—the development of the Columbia; the development of the Nelson river. All I can tell the hon. gentleman in this connection is that he was a little wrong in his history this afternoon when he said it was only under the present government that arrangements had been made to ship outside Canada power surplus to our needs. We brought that into effect in 1962. Yet, this afternoon, in a characteristic manner, an attempt was made to appropriate to the party opposite a policy which hon. members sitting over there criticized in the years from 1957 to 1961.

What about the Nelson river? We set up a full investigation into the potentialities of that development and, having arrived at an alteration in our policy with regard to the export of power, there are hopes that it will be proceeded with. Mention was made of the great potential in Labrador and I join with the hon. minister in expressing the hope that this development will be proceeded with at the earliest possible moment to the end that we shall be producing this power in Canada which, a few years hence, may not be as important as it is today if the cost of atomic energy becomes reasonably close to that of power produced by water.

What about the magazine situation? Canadianization? The resolutions are on the order paper; I may not refer to them now. But I must say there are many people in Canada today whose opinion is changing in this regard. They are asking themselves this question—whether or not *Time* and *Reader's Digest* should be absolved from the general legislative enactment respecting United States magazines and other foreign magazines which are brought into Canada particularly for advertising purposes.

Within the last few days an editorial has appeared in the Montreal *Star* which is of interest in this connection. It points out this:

> These two magazines now dump their product into Canada after a manner and in a fashion which would not be tolerated by any government which seeks to prevent unfair competition from foreign producers. If it was china or tinware, if it was boots and shoes, if it was shirtwaists or any other form of textiles, the government would have moved in, horse, foot and artillery, to stop the imports. But these two magazines import into this country their whole editorial content, collected at a cost greatly exceeding the budget available

to any Canadian magazine, and use it as the bait to attract advertising which might otherwise be available to a genuine Canadian magazine.

The article goes on to ask what the hon. members who represent Montreal constituencies are doing about this. What of the hon. member for St. Lawrence-St. George (Mr. Turner)? What about the Minister of Industry (Mr. Drury)? Why has none of these men made any move to help the Canadian magazines? It goes on:

Mr. Drury, it may be noted, is very pleased with a scheme which he presented to the House of Commons to increase the Canadian content of the motorcar produced in Canada. He appears to be wholly uninterested in the Canadian magazine, a somewhat curious performance—

I say, Mr. Speaker, that more and more people are asking today, as they look at these magazines, why they should be placed in an exempted position. Views in this regard are not frozen. They could be changed with changing conditions. I simply point out that nothing has been done by this government which in any way indicates that the great policy of Canadianization will go far enough to ensure that Canadians will have the opportunity within their own land to have their own magazines, unchallenged by unjust competition from outside this country.

I simply throw that out, Mr. Speaker, and add that those views more and more are being expressed as Canadians realize the import of some things that are taking place within this nation.

Mr. Speaker, I am asking support for our amendment. The minister has asked, "How could you bring about a reduction in taxes, with a large deficit?" President Johnson of the United States has given lead in this regard; he has given the lead by reducing unnecessary expenditures. We, in 1962, cut off some $200 million.

Mr. Nowlan: More than $200 million.

Mr. Diefenbaker: More than $200 million. I was always conservative in that regard. I know how difficult it is. I do not like to point out the Minister of Public Works (Mr. Deschatelets) or anyone else, but the Minister of Public Works might be all for it in some other department; even the Minister of Trade and Commerce (Mr. Sharp), or the Secretary of State for External Affairs (Mr. Martin), with the tremendous expansion in the expenditures for foreign affairs—

An hon. Member: And telephone bills.

Mr. Diefenbaker: —and all these other things. In the United States, instead of raising members' salaries, congress turned it down; they said, "We are not going to increase our salaries so long as we have taxation at its present level". What about Canada? Under this government everybody is getting an increase; fabulous increases are being granted. I think of the co-ordinator; I think that is the title of Mr. Kent. He brings together all these jarring elements; he brings about order out of chaos, and agreement in a cabinet that cannot agree. That is his job; he is worth $25,000 a year. But he has not done very well at it. They have been raising salaries all along the line, and the minister said that taxation in Canada is lower than that in the United States. I just want to say to him that he is the only one who has that view. Every responsible financial person in Canada has said, "What kind of blinkers was the minister wearing when he made that statement?" Our taxation today is higher than in the United States; it has increased, since this government came into power, by $390 million a year.

This afternoon the minister said, "Oh, the sales tax did not have any influence. We have the largest expenditures for investment in the first three months of this year". All I have to point out in that connection is that the Canadian Federation of Agriculture says the 11 per cent sales tax should be removed from production machinery used in agriculture. Every business across Canada has said that it should be removed, and that one of the major reasons for the increase in the last three months is the fact that they have been stockpiling against the increase from 4 per cent to 8 per cent and ultimately to 11 per cent. The minister produces the testimony of one man who said, in effect, "Great is Diana of the Ephesians".

Mr. Speaker, they said they would cut expenditures. What they have done is increase expenditures to a point far and beyond those ever before in effect in peacetime, except possibly during the Korean war. These are the people who were saying last year and the year before, "Just give us the opportunity and we will show you what we will do". They have, and the Canadian people today have no confidence in the government sitting opposite.

[*Translation*]

Mr. Henri Latulippe (Compton-Frontenac): Mr. Speaker, at the outset of my remarks, I should like to say that we disapprove the Conservative amendment because it is negative in every respect.

During their term of office, the Conservatives themselves did nothing but increase taxes and accumulate budget deficits.

The two old parties are in the same old boat. The more things change, the more they remain the same. Neither party had the

courage to go to the very root of the present trouble by changing the old system for a new one adapted to the year 1964.

In the process of adjusting themselves to modernization, progress, science and reforms, the two old parties prefer submissiveness to freedom from the financial dictatorship which smothers and strangles the people. That is why we refuse to support the amendment.

Neither party has found a solution to the present problems of debts, taxes, budget deficits and rises in the cost of living index which cause even more serious stagnation in Canada.

Our democratic system and our financial system are no longer compatible. Instead of living in a democracy, we have a genuine dictatorship which prevents the young, the aged, women and men from leading a life of their own choice. As I say, we are truly living under a dictatorship which exercises its control through hunger.

The present system indebted Canada to the tune of $75 million at the time of confederation. Today, after 96 years of labour and development, the national debt totals $25 billion.

The public debt is made up of money which is non-existent, which has never been issued and which the government has pledged itself to reimburse; the financier creates the money and lends it, but on the promise that all that money, which he has never earned, will be reimbursed to him with interest.

The banker alone creates modern money; he does not make capital, but he asks to be paid, besides the capital, interest which he does not make and which nobody makes. As money does not grow by itself, the swelling claimed ends up in the public debt. That is why the public debt is rising.

Our economy is infected. This method of creating money and lending it with interest right away is the most effective invention which was ever inspired by Satan in a human brain so as to bring havoc to the economy, scuttle the Ten Commandments, sow dissension and hate, change man into wolf towards his brothers and make him the slave of money.

It is the opening of the race for money, for the dollar, to avoid being the one who falls, even if it involves causing the fall of others. Money has become the motivation, the end of everything; instead of producing wheat to feed, clothes to clothe, shoes to shod, houses to house, we do all that to raise more money than was invested. It is a must. The financier is there watching, claiming the dollar he brought into the world and demanding a return, this thing that we must take from our neighbour since it has not been put beside the dollar lent. And so, the economic life which has become horrible, hard, implacable and cruel, according to the words used by the Pope himself. How can we talk of charity, of unselfishness, of compassion when an unrelenting rule is hung over our heads which compels us, unless we want to starve with our family, to play the game to extract from our country more dollars than have been issued?

To claim interest on the new dollar, to issue in this way taxing money every time the development of the country requires an increase in money, that is equivalent to accepting a thief in the economy of the country, thanks to the progress and the development of the country; that is why progress hardens the life it should relieve. It is a mortgaged and, often, a foreclosed progress.

Everybody's life revolves around the dollar. The fertility imposed on money by the manufacturer of dollars kills the fertility of talent, of genius, of development itself. As for the government, it is known that all its activities are determined by the presence or the absence of dollars.

There is a technique to create money in this way and put it into circulation for the benefit of all, without doing any wrong to anybody: it is the Social Credit technique. It is money to the service of man instead of man to the service of money. No inflation and no deflation, but a balance between services. It is a philosophy quite different from the present scarce money banking philosophy.

Through an autonomous procedure, balance would be established and maintained, because it is the responsible power itself which would control the means to increase the active money supply, as it would also control the means to put in on a sounder basis as required.

How many unnecessary hardships were forced upon the world for the past 25 years because the last war was not financed with other interest-free money or money issued without interest.

The situation in Canada is a striking one. Our federal debt was $2,574,531,033 in 1919, while today, the gross debt is $24,799,139,867 and the net debt $13,919,769,972. On the other hand, since 1914, we paid $14,869,164,125 in interests only, which is more than the whole net debt at this time. This means that, if all interest charges had been eliminated, Canada would practically be without debts.

We are told time and again that it is impossible for the government to borrow money without having to pay interest. Now, who is above the government to lay down what it should do?

There are 265 members sitting in Ottawa, but, except among the members of the Social Credit party, not a single voice was raised

to mention these things and to conclude that, work demands money, and money requires borrowing, and if you want to borrow, you have to incur debts, which means that in order to develop this country, the public debt must increase in proportion. That is what the federal, provincial and municipal governments, the school boards and individuals are doing now.

Hon. members of the government, like your predecessors, you are gallantly fighting and struggling but you do not dare change the rules. You prefer to fold your hands and piously ask Canadians to make sacrifices by increasing direct and indirect taxes, by raising general taxation and therefore the cost of living. Rather than show disrespect to the bookkeepers, the Minister of Finance (Mr. Gordon) prefers to follow that course. To balance two columns in a book is much more important than the life of 2,900,000 heads of families, who have to support 12,400,000 persons, on small single people's salaries. To tighten the consumer's belt throughout the country in the presence of goods which accumulate, go bad or are destroyed, that is one of the administrative virtues of the present government.

Science and progress teach people to set their eyes on realities. Now, this diabolic system does not satisfy young people, their aspirations or their ideals; they do not want to live in unemployment, to rob Peter to allow Paul to exist, even if this alleged liberty confers the right to cast a vote into the electoral urn.

If men are equal before God, they must be equal before the law and have an equal opportunity to earn their living. Brotherhood is a splendid ideal, but only in natural groups such as the family or the native land.

Our Canadian ancestors did not fight in order that their sons loaf about the streets in the cities, living the life of stowaways, not knowing, when they are 20 years old or 30 years old, what to do with their arms and their heads. Did they want us to be servants for foreigners coming here, on a call from us, with the pound sterling or the United States dollar, to enrol Canadians and harness them to their service, exploiting Canadian natural resources to the advantage of London or New York money makers?

The logic of the present system, we find it in mortgages on land won from the forest, in man-made legislation which guarantees that money will draw its salary even if towns and school boards have to be put in trusteeship, private individuals in bankruptcy and farmers out on the road.

When ratepayers pay taxes, they are handing over to the government some well-earned money. Why could they not get in return, the same as the banker, an interest bearing bond?

Where is the logic in all that? With taxes being parallel, loans being possible for the rich, taxes being compulsory for everyone and people being taxed so that interest may be paid to lenders, what happens is that taxes, instead of contributing to a better distribution of wealth, contribute to a higher concentration of wealth.

The purpose of taxation, factor of privation, is to reduce the purchasing power of the public by giving the taxpayer, in exchange for his taxes, a corresponding liability which will have to be paid, since that liability bears interests. If the banker's stroke of the pen deserves interests, the sweat of the worker also deserves interests.

It would be less expensive for the government than the army of employees assigned to the collection of those taxes and the control of that collection. In that way, taxes would operate as interest bearing bonds, and the government would be relieved of a heavy and expensive bureaucracy. But considerations relating to a plan will throw more light on the flagrant injustice of our present financial system by which our governments breathe, act and swear.

Before this dying monster of hypocrisy, covered with debts like purulent and incurable sores, reeking of squalid selfishness, which cannot even be honestly protected by its guardians, what is there to take its place? Collapse into chaos and anarchy while being engulfed in an exasperated destitution?

Mr. Speaker, in conclusion, I am asking the Minister of Finance to tell us, if he can, where we are going, if we are going nowhere, what is wrong and what solution, if any, he has to offer.

I do not hesitate to tell him, supported by most Canadians, that the financial machinery in Canada is out of order and obsolete. The Canadian forests do not refuse to provide Canadians with lumber. The great rivers with their torrential waters are not dried up. It is not the manufacturers, nor the men who refuse to work; it is not the farmers who refuse to produce goods; it is not the land that refuses to yield crops; but all that will go to ruin if everything continues to be dependant on the old heartless financial machinery.

We need a financial machinery beneficial instead of detrimental to the Canadian people, a machinery making money in keeping with progress instead of making debts, a machinery likely to increase the purchasing power instead of decreasing it through heavier taxes which are a burden for everybody. We need a new economy, not an economy of hardship,

but an economy distributing wealth. We must find as many new sources of money as are needed to distribute wealth among everybody.

Canadian finance at the service of Canadians; the wealth of Canada for Canadian families, all families; that is the true meaning of an economy at the service of the human being.

The Prime Minister (Mr. Pearson) said in his speech, at the beginning of the session, that the number of unemployed has decreased and that, on the other hand, labour income was much higher in 1963 than in 1962; that the number of jobs had increased tremendously and that the unemployment level in December, taking into account seasonal adjustments, was 5 per cent lower than it had been for many years. He also said that Canadians had made tremendous economic progress in 1963.

I will say to the Prime Minister, in reply, that Canada has never known an increase in social welfare comparable to that of 1963.

In fact, that department's estimates for 1962-63 amounted to $1,099,742,250 whereas in 1963-64 they were only $1,204,910,550, that is an increase of $105,168,300 for the last year. And for 1964-65, the estimates show an even larger increase.

The Prime Minister was careful not to say that the drop in unemployment had not kept pace with the increase in economic activity. In general, the unemployed totalled 7.2 per cent of the active population in 1961, 6 per cent in 1962 and an average of 5 per cent in 1963; and in mid-January this year, there were 466,000 unemployed, that is 7 per cent of the labour force.

However, unemployment is not the same throughout the country. In Quebec, for instance, 9 per cent of the workers are unemployed and, in the maritimes, 12.6 per cent of the labour force are out of work.

It is truly alarming to live under an economic system where at the national level one person out of 15 is unemployed and where one tenth of all Quebec workers and one eighth of the labour population of the maritimes are out of work.

It is our contention that the government has never really tackled the cause of unemployment and of the slow rate of economic growth in Canada. It has just skimmed the problem without ever finding its true causes.

I am convinced that the problem is mainly one of production. We have unemployed workers, idle industries and undeveloped resources. Our first problem is that a large number of Canadians are unable to buy the goods which our economy has produced or could produce.

[Mr. Latulippe.]

I will say to the government's face that it is a crime to allow human beings to live under such conditions, when there is an abundance of goods to meet the needs of all classes of society.

Each man, each woman who does not eat enough and, who suffers from cold, each family which is poorly housed, is a living accusation against you, who belong to the old parties, and against the dishonest system that you try to protect with all your might. The day may be not too far off when you will be compelled to take your responsibilities.

The Creditistes are aware of their responsibilities and they fight to provide each individual with his share of progress and knowledge that has been passed on and accumulated from generation to generation, while the old parties have sold our national heritage and the fruit of the labours of generations to strangers. They have even relinquished the control of money and credit in favour of private interests. That is the reason why the people are dispossessed; it is the result of the economic disorder which we experience at the present time.

This is also the exact reason why we do not have a flag yet, since we are economically deprived of the fruits of passed generations. Our government parted with its sovereignty; when one is not master in one's own home, it is rather embarrassing to adopt a flag. That is probably why Liberals have been talking of a flag for 22 years and never adopted one. But we are playing upon people's feelings at each election with St. Jean Baptiste speeches, just like the master speech which the Prime Minister delivered last February 20.

I am quite pleased to say to my hon. friends of the old parties that people are now sufficiently informed not to believe in those speeches any longer but to believe in facts and in results.

The citizens of Canada realize that the old-line parties have seen to it that the people remained unaware of public affairs, of political and economic affairs and of financial affairs. People have been led to believe that democracy is the right to vote accompanied by the right to speak, the right to listen, the right to cheer, even when they are given a raw deal, the sacred right, for the people, to select once every four or five years those whose duty it will be to search through their pockets and put them to sleep.

People are on the verge of having enough of war policies, credit restrictions, austerity programs, excess taxes, money interests which annoy them and take everything away from them, surveys, forms, dictatorship, slavery.

Mr. Speaker, people want us to try and establish in this world a social order in which

man will be able to live decently so that he may reach his full development.

Mr. Speaker: Order; it being 9.45 p.m. it is my duty, pursuant to section 5 of standing order 58, to interrupt these proceedings and put forthwith the amendment to the house.

[*Text*]

The house divided on the amendment (Mr. Nowlan) which was negatived on the following division:

YEAS

Messrs:

Alkenbrack
Balcer
Baldwin
Bell
Bigg
Cantelon
Cardiff
Casselman, Mrs.
Chatterton
Churchill
Clancy
Coates
Cooper
Crouse
Danforth
Diefenbaker
Dinsdale
Doucett
Enns
Fairweather
Fane
Fleming (Okanagan-Revelstoke)
Flemming (Victoria-Carleton)
Forbes
Grafftey
Gundlock
Hales
Harkness
Horner (The Battlefords)
Howe (Wellington-Huron)
Irvine
Kennedy
Korchinski
Lamb
Lambert
Loney
MacEwan
MacInnis
MacLean (Queens)
Macquarrie
MacRae
McBain
Madill
Mandziuk
Martineau
Millar
Moore
More
Muir (Cape Breton North and Victoria)
Muir (Lisgar)
Nasserden
Nesbitt
Nielsen
Noble
Nowlan
Nugent
Ormiston
Pascoe
Pigeon
Pugh
Rapp
Rheaume
Ricard
Rynard
Simpson
Skoreyko
Slogan
Smallwood
Smith
Southam
Starr
Stefanson
Stenson
Thomas
Valade
Vincent
Watson (Assiniboia)
Webb
Willoughby
Winkler—80.

NAYS

Messrs:

Addison
Armstrong
Asselin (Notre Dame de Grace)
Asselin (Richmond-Wolfe)
Badanai
Barnett
Basford
Batten
Beaule
Bechard
Beer
Belanger
Benidickson
Benson
Berger
Blouin
Boutin
Brewin
Brown
Byrne
Cadieux (Terrebonne)
Cameron (High Park)
Cameron (Nanaimo-Cowichan-The Islands)
Cantin
Caouette
Caron
Carter
Chapdelaine
Cote (Longueuil)
Cowan
Crossman
Cyr
Davis
Deachman
Deschatelets
Dionne
Douglas
Drury
Dube
Dupuis
Emard
Favreau
Fisher
Forest
Francis
Frenette
Gauthier
Gelber
Gendron
Godin
Gordon
Granger
Gray
Greene
Gregoire
Groos
Guay
Habel
Hahn
Haidasz
Harley
Hays
Hellyer
Herridge
Howard
Howe (Hamilton South)
Jewett, Miss
Klein
Knowles
Konantz, Mrs.
Lachance
Laing
LaMarsh, Miss
Lamontagne
Lamoureux
Langlois
Laniel
Laprise
Latulippe
Laverdiere
Leblanc
Leboe
Leduc
Lessard (Lake St. John)
Lessard (St. Henry)
Lloyd
Loiselle
Macaluso
Macdonald
MacEachen
Mackasey
MacNaught
McIlraith
McLean (Charlotte)
McNulty
McWilliam
Marcoux
Martin (Timmins)
Mather
Matheson
Matte
Mitchell
Moreau
Morison
Mullally
Munro
Nicholson
Nixon
O'Keefe
Olson
Orlikow
Otto
Ouellet
Patterson
Pennell
Pepin
Perron
Peters
Pickersgill
Pilon
Plourde
Prittie
Prud'homme
Regan
Richard
Rideout
Rinfret
Robichaud
Rochon
Rock
Rondeau
Rouleau
Roxburgh
Ryan
Scott
Sharp
Stewart
Tardif
Teillet
Temple
Thompson
Tremblay
Tucker
Turner
Wahn
Walker
Watson (Chateauguay-Huntingdon-Laprairie)
Webster
Whelan
Winch—150.

Division

[*Translation*]

Mr. Chretien: Mr. Speaker, I was paired. Had I voted, I would have voted against the amendment.

[*Text*]

It being five minutes after ten o'clock the house adjourned, without question put.

HOUSE OF COMMONS

Wednesday, March 25, 1964

The house met at 2.30 p.m.

PROCEDURE

FIRST REPORT OF SPECIAL COMMITTEE ON PROCEDURE AND ORGANIZATION

Mr. Speaker: Before calling "Presenting reports by standing and special committees" I have the honour to present in English and in French the first report of the special committee on procedure and organization. The report will be printed in today's *Votes and Proceedings.*

BUSINESS OF THE HOUSE

CHANGE IN SITTING HOURS FOR THURSDAY MARCH 26

Hon. Guy Favreau (Minister of Justice) moved:

That this house does resume its sitting tomorrow at 11 a.m. instead of 2.30 p.m. and adjourn at 6 p.m. instead of 10 p.m.

Motion agreed to.

[*Later:*]

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to address a question to the Minister of Justice in his capacity as house leader. I do so for the purpose of clarifying a decision we took earlier. Perhaps I should have asked the question then, but I did not want to start a debate. I believe it was a five party understanding earlier today that the hours of sitting tomorrow would be 11 to 1 and 2.30 to 6. Was that the understanding when the motion put by the minister was carried?

Hon. Guy Favreau (Minister of Justice): Like so many members of this house, including the hon. member for Winnipeg North Centre, I have been deprived of luncheon so many times in the last two months I had forgotten about the luncheon adjournment. The understanding of the house, I think, is that tomorrow the hours should be the same as they would normally be on Friday.

PROCEDURE THIS DAY IN COMMITTEE OF SUPPLY

Hon. Guy Favreau (Minister of Justice): May I, on motions, make a statement about the business of the house.

The government intends to proceed with final supplementary estimates after the question period until 4.30 p.m., and at 4.30 p.m. to take interim supply. The reason, which I wish to explain to the house, is that the Prime Minister, who is presently detained at home for reasons which were obvious yesterday, is expected to speak on the supplementary estimates of the Department of Agriculture. We shall try to take up that item as early as possible tomorrow.

EXTERNAL AFFAIRS

CYPRUS—TABLING OF ORDER IN COUNCIL P.C. 1964/389

Hon. Paul Hellyer (Minister of National Defence): I wish to table two copies of order in council P.C. 1964/389 dated March 14, 1964, relating to the Canadian military contribution to the United Nations peace keeping force in Cyprus.

CANADIAN FLAG

PROVISION FOR ADOPTION OF RED ENSIGN

Mr. J. N. Ormiston (Melville) moved for leave to introduce Bill No. C-83, to adopt a national flag (Canadian red ensign).

An hon. Member: Explain.

Mr. Ormiston: The purpose of this bill is to adopt by act of parliament the Canadian red ensign as Canada's national flag.

Some hon. Members: Hear, hear.

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I rise on a point of order. We object to the introduction of this bill under standing order 71 under which the title of any bill must be specified. We feel that the title is not specified, at least in the French version which merely makes mention of "Pavillon rouge du Canada". We also object under standing order 72 which reads as follows:

No bill may be introduced either in blank or in an imperfect shape.

[*Text*]

Mr. Speaker: I have to point out to the hon. member for Lapointe that this is the introduction of a bill. The only copy I have, the one in front of me, is in English.

Mr. Fisher: Shame.

Notices of Motions

Mr. Speaker: The title, according to the statement made by the sponsor, is "an act to adopt a national flag (Canadian red ensign)". At the time of printing I presume the proper translation will be made into French. At this stage of the proceedings I do not see that any point of order arises nor am I able to accept the point of order advanced by the hon. member for Lapointe. In the circumstances I have to ask if it is the pleasure of the house that the hon. member shall have leave to introduce the said bill.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: On division.

Mr. Ormiston moved the first reading of the bill.

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

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: On division.

Motion agreed to on division and bill read the first time.

Mr. Speaker: When shall the said bill be read the second time?

Some hon. Members: Now.

Some hon. Members: Never.

Mr. Speaker: Next sitting of the house.

PENSIONS

CANADA PLAN—ESTABLISHMENT OF JOINT COMMITTEE

On the order: Government notices of motions:

March 23—The Minister of National Health and Welfare: That a joint committee of the Senate and House of Commons be appointed to consider Bill C-75 to establish a comprehensive program of old age pensions in Canada payable to contributors and survivors (the Canada pension plan);

That 24 members of the House of Commons, to be designated by the house at a later date, be members of the joint committee, and that standing order 67 (1) of the House of Commons be suspended in relation thereto;

That the said committee have power to call for persons, papers and records and examine witnesses; and to report from time to time and to print such papers and evidence from day to day as may be ordered by the committee and that standing order 66 be suspended in relation thereto; and

That a message be sent to the Senate requesting that house to unite with this house for the above purpose, and to select, if the Senate deems it advisable, some of its members to act on the proposed joint committee.

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

[Mr. Fisher.]

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

CONSTRUCTION OF HOUSES FOR INDIANS, YUKON

Question No. 175—**Mr. Nielsen:**

1. (a) How many houses were constructed for the Indian people in the Yukon from June, 1957 to April 8, 1963 (b) in what locations in the Yukon Territory were such houses constructed, and how many such houses were constructed in each location (c) what was the cost of each unit so constructed in each location, and what was the total cost of construction?

2. (a) How many houses have been constructed for the Indian people in the Yukon Territory since April 8, 1963 (b) where were such units constructed, and how many of such units were constructed in each location (c) what was the cost of each unit so constructed in each location, and what was the total cost of construction (d) how many such units are now under construction, and in what locations within the Yukon Territory (e) how many such units are to be constructed within the next year, and at what locations and at what cost?

Mr. Badanai: 1. (a) 106. (b) and (c):

Location	No. of Units	Cost
Old Crow	1	$ 1,100
	1	1,518
	1	3,305
	1	3,032
	1	2,570
	1	5,234
	1	5,277
Total	7	$22,036
Dawson	1	$ 1,754
	1	1,754
	1	1,754
	1	817
	1	817
	1	1,700
	1	1,700
	1	3,200
	1	3,200
	1	3,200
	1	3,200
	1	3,200
Total	12	$26,296
Carmacks	1	$ 2,536
	1	2,553
	1	2,734
	1	2,291
	1	1,928
	1	2,700
	1	2,700
	1	1,700
	1	500
Total	9	$19,642

Location	No. of Units	Cost
Pelly Crossing	1	$ 250
	1	250
	1	250
	1	250
	1	672
Total	5	$ 1,672
Mayo	1	$ 2,452
	1	2,597
	1	2,428
	1	2,471
	1	2,427
	1	4,200
	1	4,200
	1	4,200
	1	1,700
	1	2,800
Total	10	$29,475
Haines Junction	1	$ 3,325
	1	3,063
	1	3,349
	1	2,939
	1	3,500
	1	4,000
	1	4,000
Total	7	$24,176
Whitehorse	1	$ 3,333
	1	3,172
	1	2,457
	1	3,866
	1	3,866
	1	3,866
	1	3,866
	1	3,866
	1	3,866
	1	1,700
	1	3,200
Total	11	$37,058
Carcross	1	$ 1,700
Total	1	$ 1,700
Ross River	1	$ 1,700
	1	1,050
	1	1,050
	1	1,050
	1	1,700
Total	5	$ 6,550

Location	No. of Units	Cost
Liard River	1	$ 2,500
	1	2,500
	1	2,500
	1	2,500
	1	2,500
	1	2,800
	1	3,596
	1	2,695
	1	3,134
	1	1,700
	1	2,700
	1	1,700
	1	1,700
	1	2,800
Total	14	$35,325
Teslin	1	$ 1,170
	1	1,170
	1	2,811
	1	1,050
	1	3,127
Total	5	$ 9,328
Champagne	1	$ 720
	1	720
	1	1,200
	1	1,130
Total	4	$ 3,770
Telegraph Creek	1	$ 830
	1	830
	1	1,671
	1	1,671
	1	1,671
	1	1,331
Total	6	$ 8,004
Takhini Crossing	1	$ 301
Total	1	$ 301
Atlin	1	$ 1,700
	1	3,200
	1	3,200
Total	3	$ 8,100
Selkirk	1	$ 600
	1	600
	1	600
	1	600
Total	4	$ 2,400

Questions

Location	No. of Units	Cost
Whitehorse	1	$ 3,200
Total	1	$ 3,200
Burwash	1	$ 3,200
Total	1	$ 3,200

Totals—106 units as a total cost of $242,-233.00.

2. (a) 14. (b) and (c):

Location	No. of Units	Cost
Whitehorse	2	$ 2,400 each
Mile 1202	1	2,400
Old Crow	2	5,000 each
Carmacks	1	2,000
Pelly Crossing	1	2,000
Liard River	2	1,400 each
Ross River	4	1,400 each
Kluane Band	1	2,400

2. (d) Nil.

(e) Ten units are planned for the Yukon agency at an estimated cost of $40,000. The locations in which the units will be constructed will depend on the application for housing by individual Indians to be considered by band councils and the superintendent of the Yukon agency.

APPLICATIONS FOR RESEARCH GRANTS

Question No. 231—**Mr. Orlikow:**

1. How many applications for grants to finance research projects did the Department of National Health and Welfare get in each of the past three years?

2. What was the total dollar value of the projects requested from the Department of National Health and Welfare?

3. How many of the applications made to the Department of National Health and Welfare were approved in full?

4. How many of the applications were approved in part only?

5. How many applications for research grants were turned down in each of the last three years?

6. What were the reasons for the refusals?

Miss LaMarsh: 1. Under the national health grants, the following applications for grants to finance research projects were received in the fiscal years 1961-64: 1961-62, 329; 1962-63, 364; 1963-64, 370.

2. 1961-62, $4,055,119; 1962-63, $4,489,102; 1963-64, $4,665,989.

3. 1961-62, 191; 1962-63, 191; 1963-64, 176.

4. 1961-62, 103; 1962-63, 101; 1963-64, 85.

5. 1961-62, 32; 1962-63, 70; 1963-64, 106.

[Mr. Badanai.]

A few projects were cancelled or altered at the request of the researchers or their sponsoring provinces.

6. Research projects do not receive approval as submitted under the national health grants when they exceed the funds allocated for this purpose and when they are considered by appraisers, consultants and advisory committees to be poorly designed or unsound research.

ADDRESS BY JOHN HALSTEAD, PARIS

Question No. 279—**Mr. Marcoux:**

1. Is a Mr. John Halstead employed by the Canadian embassy in Paris and, if so, in what capacity?

2. Did he, as reported in the Montreal *Star* of November 19, 1963, address a meeting organized by the C.I.I.Q. in Paris and, if so, what was the substance of his remarks?

3. By whom was he invited?

4. What are the objectives of the organization known as C.I.I.Q.?

5. Does the government of Canada consider itself to be in sympathy with these objectives?

[*Translation*]

Answer: 1. Yes, Mr. Halstead is minister at the embassy in Paris.

2. No.

3. Nobody.

4. According to our information, the address of that organization is 14 Houdon street, Paris 18. The objectives of the organization could probably be obtained by writing to that address.

5. This is a private organization. Unless it is proven that the purposes of the organization or the manner in which it goes about achieving those purposes are contrary to Canadian laws or to the laws in force in the countries where it carries on its activities, there would apparently be no call for official comments.

[*Text*]

HEALTH AND WELFARE DENTAL HEALTH GRANTS

Question No. 315—**Mr. Slogan:**

1. How much money has been spent by the Department of National Health and Welfare for dentistry and dental health programs and research in each of the last ten years?

2. What is the breakdown of the money spent in each year?

3. What percentage of the public health research grant was earmarked for dental research as compared to medical research in each year?

4. How does this compare with the amount of money spent by the general public on general health as compared to the amount spent for dental health?

5. Has the minister received a request from the Canadian Dental Association for an increase in dental research grants?

6. Is it the intention of the government to increase the amount of money contributed to dental research?

Questions

Miss LaMarsh: 1.

	Expenditures within the department		Expenditures under the national health grants
	Dental health division	Medical services directorate	
	$	$	$
1953-54	40,320	345,000 (average)	
1954-55	36,461	345,000 (average)	301,582
1955-56	44,927	345,000 (average)	364,584
1956-57	51,709	345,000 (average)	410,825
1957-58	46,473	345,000 (average)	471,937
1958-59	62,034	345,000 (average)	507,582
1959-60	62,736	345,000 (average)	698,889
1960-61	66,816	345,000 (average)	905,311
1961-62	67,035	345,000 (average)	594,334
1962-63	69,360	345,000 (average)	610,466
1963-64 (est.)	70,000	345,000 (average)	647,578

2. No breakdown has been made of expenditures within the department. Under the national health grants the breakdown is as follows:

	Dentistry and dental health programs	Research
	$	$
1954-55	279,790	21,792
1955-56	338,435	26,149
1956-57	385,199	25,626
1957-58	446,513	25,424
1958-59	478,702	28,880
1959-60	534,625	164,264
1960-61	865,451	39,860
1961-62	527,273	67,061
1962-63	560,154	50,312
1963-64 (est.)	599,569	48,009

3. Expenditures under the health grants for dental health research have been related to expenditures on all health research (dental and medical) in the following percentages:

	Percentage expended for dental research
1954-55	1.40%
1955-56	1.75
1956-57	1.48
1957-58	1.31
1958-59	1.38
1959-60	6.22
1960-61	1.22
1961-62	1.79
1962-63	1.42
1963-64 (est.)	1.14

4. The following is an excerpt from health care series, memorandum No. 16 prepared by the research and statistics division of the Department of National Health and Welfare and dated March 1963.

"Table I. Expenditures on Personal Care

	Physicians' services ($'000,000)	Dentists' services ($'000,000)
1953	176.6	60.5
1954	188.6	66.4
1955	206.5	68.6
1956	240.1	81.5
1957	269.2	87.3
1958	295.5	98.1
1959	326.8	100.1
1960	354.5(f)	112.4
1961(f)	383.2	118.8
1962(f)	395.2	132.4

(f) Estimated

It is estimated that in 1961, of an aggregate gross income of $383,200,000 received by physicians for providing personal medical care services, $335,784,000 was received under private auspices, in either direct payments from patients or benefit payments by voluntary non-profit and commercial insurance agencies.

In 1961 it is estimated that a total of $118.8 million was received by dentists for providing personal dental care services."

5. No.

6. As far as the national health grants are concerned, dental research is considered within the broad framework of the public health research grant. There are no specific allocations for particular fields in this grant. The amounts of funds in this grant are subject to periodic review with regard to the need for research assistance.

INCREASED ALLOWANCES UNDER VETERANS ALLOWANCE

Question No. 331—**Mr. MacLean (Queens):**

Is it the intention of the government during this session of parliament to raise (a) the ceiling of

$1,250 in personal property allowance to a single recipient of war veterans allowance (b) the ceiling of $2,500 in personal property allowance to a married recipient of war veterans allowance (c) the ceiling of $9,000 of allowable real estate including his home which a recipient of war veterans allowance may own?

Mr. Teillet: The War Veterans Allowance Act is under continuous study and considerable research is given those areas where financial matters, such as rates and ceilings and property limits are involved.

At the present time, it is not possible to state when amendments to this legislation may be brought forward for consideration.

P.O. DEPARTMENT LOSSES ON SECOND CLASS MAIL

Question No. 334—**Mr. Mather:**

1. What was the deficit incurred by the Post Office Department during 1963 on second class mail from the United States?
2. What was the aggregate loss to the Post Office Department on United States second class mail handled in the past 10 years?

Mr. Nicholson: 1. Information on which to estimate the deficit for 1963 is not yet available.

2. Information for the last ten years is not available. The department has recognized for some time, particularly since the release of the Glassco report, that the statistical data being maintained was insufficient to give the necessary information relative to second class mail posted in the United States for delivery in Canada. During the past year the department has engaged in an extensive study as to required statistics covering the entire postal field, and recently the services of management consultants were engaged to assist in these studies.

For the year 1961-62 information has been obtained from the United States administration as to the volume of second class mail posted in that administration for delivery in Canada. By using this information, together with statistics compiled in this department, it is estimated that the deficit for handling second class mail from the United States for delivery in Canada during 1961-62 is $3,900,000 divided as follows: (a) on second class mail posted in the United States for delivery in Canada, $2,800,000; (b) on United States second class mail posted in Canada for delivery in Canada, $1,100,000.

INDIAN SCHOOL STUDENTS

Question No. 354—**Mr. Orlikow:**

1. Of the 50,549 Indian children attending elementary and secondary schools (a) how many are attending elementary schools (b) how many are attending secondary schools?
2. How does the percentage of Indian students attending secondary schools compare with the percentage of the whole population attending secondary schools?
3. How many Indian students are attending universities or other advanced educational institutions?

Mr. Badanai: 1. (a) 43,679; (b) 4,371.

In addition to above, there are 2,499 Indian children attending either elementary or secondary schools, but no information is available as to grade.

2. Percentage of Indian pupils attending secondary schools, 8.9; percentage of non-Indian pupils attending secondary schools, 21.5.

3. Ninety seven.

NEW STERILIZATION METHOD FOR HOSPITALS

Question No. 390—**Mr. MacLean (Queens):**

1. Has the Department of National Health and Welfare investigated the claims made by Dr. Fritz Hahn for the efficiency of a new method of sterilizing hospital operating rooms and other hospital rooms by the influence of an electric field?
2. Has this new method been tested to determine whether or not it might have any worth-while application in Canadian hospitals?

Miss LaMarsh: 1. and 2. The Department of National Health and Welfare has taken steps to obtain full information from Germany regarding the work of Dr. Fritz Hahn in the development of an electromagnetic field as a means of killing viruses and bacteria. When complete information is available it will be carefully studied to determine whether the process has worth-while application in Canadian hospitals.

POST OFFICE CONSTRUCTION, N.S.

Question No. 394—**Mr. Coates:**

1. Will post offices be constructed at Wallace, Advocate Harbour, Collingwood and Southampton as previously announced?
2. When will tenders be called for the construction of all or any of these post offices?

Mr. Deschatelets: 1. No; it was not possible to acquire suitable sites at reasonable cost.

2. Answered by No. 1.

CIVIL SERVICE COMPETITION 63-T-1003

Question No. 402—**Mr. Loney:**

1. What is the name of the successful applicant to civil service of Canada competition No. 63-T-1003?
2. What is the basic salary of the appointee?
3. What are the qualifications of the appointee?
4. At what date did the appointee commence his or her duties?

Mr. Lamontagne: 1. The successful candidates as a result of competition 63-T-1003, postal clerk 1, Post Office Department, Kincardine, Ontario, are as follows, in order of merit: Clifford Manley Robinson, David Maxwell Henderson, Mrs. Janet Victoria Gazel, Edbert T. Bushell, William Albert Inkster.

Messrs. Robinson and Henderson are entitled to the veterans' preference for overseas service.

All appointments are subject to satisfactory medical examination.

2. $3,330 per annum. ($3,330-4,380); semi-annual increases to $3,630; then annual increases to $4,380.

3 and 4. This competition was advertised to establish an eligible list from which future vacancies will be filled.

To date, there have been no vacancies and, consequently, no appointment has been made from the eligible list.

CANADIAN PARTICIPATION IN OCEANOGRAPHIC STUDIES

Question No. 405—**Mr. Latulippe:**

1. Has Canada been invited to take part in the meeting of the intergovernmental oceanographic commission, which is to be held at UNESCO House, Paris, in June?
2. Has Canada been invited to take part in a joint study of the Kuroshio current, in the Pacific ocean (a current similar to the Atlantic gulf stream)?
3. Did Canada send a representative or an observer to the meeting of experts of eight nations, in Tokyo, which meeting was sponsored by the Japanese government, UNESCO, and the international oceanographic commission?
4. Has Canada decided to join with the six or seven other nations which plan to send out research ships annually, starting in 1965, to carry out simultaneous research projects over periods of 30 to 45 days?
5. Have any representations on this subject been made to the federal government by any Canadian organizations, British Columbia fishermen, or by the government of British Columbia?
6. Since the variations in the Kuroshio affect the fisheries, is the government considering an early study of this question, and when may the house expect a decision?

Mr. Benidickson: 1. Yes.

2. Yes.

3. No.

4. No.

5. No.

6. Canadian fisheries scientists will have access to the results of the Kuroshio investigations.

ROADS TO RESOURCES PROGRAM, QUEBEC

Question No. 409—**Mr. Latulippe:**

1. To what degree has Quebec participated in the roads to resources program since its inception?
2. What has been Quebec's share of federal contributions to the program?
3. What share of federal contributions to the program has been received by the nine other provinces, together with the Yukon and Northwest Territories?
4. Where are the roads built in Quebec under this program, what was the total cost of each, and how much did the federal government contribute toward the cost of each?
5. What requests were received from Quebec, with respect to this program, in 1962-63?

Questions

6. What amounts for this program does the federal government intend to place at Quebec's disposal for the next fiscal year?
7. What amounts will be allocated for the other provinces, together with the Yukon and Northwest Territories for the next fiscal year?

[*Translation*]

Answer: 1. The information obtained from the provinces shows total of $6,296,623.

2. The amount of the federal contribution to the province of Quebec to date is $3,032,787.

3. Out of a total amount of $7,500,000 made available to each of the ten provinces under the roads to resources program, the federal contribution to the nine other provinces to date is as follows: Newfoundland, $3,403,824; Prince Edward Island, $4,913,503; Nova Scotia, $6,553,326; New Brunswick, $4,499,999; Ontario, $4,902,219; Manitoba, $5,432,560; Saskatchewan, $5,369,806; Alberta, $6,596,382; British Columbia, $6,021,780.

The agreements were only concluded with the ten provinces. The roads to resources program provides no arrangement with the two territories.

4. Name of road: Amos-Matagami road.

Location: About 123 miles of new road, of which a certain part is either in a very advanced stage or finished. From the town of Amos, the road goes north to lake Matagami and New Hasco mines.

Estimated cost (in October 1960): $4,535,000.

Contracts awarded to date: $4,893,444.

According to information given by the province, a total amount of $4,738,223 has been spent until now. The share paid by the federal government to date amounts to $2,253,587.

Name of road: Lake Albanel-Lake Waconichi.

Location: Construction of 95 miles of new road from the southern end of lake Waconichi to a point situated a few miles to the north of the 51st parallel and the eastern bank of lake Albanel.

Estimated cost (October 1960): $5,900,000.

Contracts awarded to date: $3,765,906.

According to information sent by the province, a total amount of $250,092 has been spent up to now. Up to date, the contribution of the federal government amounts to $125,046.

Name of road: Chapais-Desmaraisville road.

Location: Construction of a section of 30 miles from a point located 14.6 miles east of Desmaraisville up to a point located approximately 27 miles west of Chapais.

Estimated cost (in October 1960): $3,000,000.

Contracts awarded to date: $3,094,475.

Questions

According to information sent by the province, a total amount of $1,308,308 has been spent up to now. The contribution of the federal government to date amounts to $654,154.

5. In 1962 the province requested authority to add five works to the authorized section of the Chapais-Desmaraisville road, at an estimated cost of $318,000 (Chapais being mile point "0" and Desmarais, mile point "71").

(1) At mile 22, a bridge over Ruisseau-Lamarck river, at an estimated cost of $85,000; (2) between mile 22 and 27, gravel coating and related works, $45,000; (3) at mile 59.3, a culvert on a tributary of Petite Riviere Waswanipi, $8,000; (4) at mile 61.3, a bridge over Petite Riviere Waswanipi, $100,000; (5) at mile 71, a bridge over Bachelor river, $80,000. Total, $318,000.

*Those works, which are in addition to the program, are presently under study.

6. Subject to certain conditions, the agreement provides that the credit the federal government will make available to Quebec during the fiscal year ending March 31, 1965 shall equal the lesser of the two following amounts, $1,500,000 or half the construction costs incurred during the fiscal year.

7. Newfoundland, $750,000; Prince Edward Island, $1,000,000; Nova Scotia, $900,000; New Brunswick, $750,000; Ontario, $750,000; Manitoba, $750,000; Saskatchewan, $687,500; Alberta, on March 31, 1965, an amount equal to the lesser of the two following amounts:

(i) $7,500,000, less the total of all the amount previously paid; (ii) half the construction costs incurred as of March 31, 1965, less the total of all the amounts previously paid.

Agreements were concluded only with the ten provinces. The roads to resources program provides no agreement with the territories.

[*Text*]

FEDERAL BUILDING, INGONISH, N.S.

Question No. 411—**Mr. Muir (Cape Breton North and Victoria):**

Is consideration being given by the department concerned to the construction of a building in the Ingonish area of Victoria county that would provide accommodation for the post office and Department of Fisheries?

Mr. Deschatelets: No.

IMPROVEMENTS AND MAINTENANCE, FEDERAL BUILDING, NORTH SYDNEY, N.S.

Question No. 413—**Mr. Muir (Cape Breton North and Victoria):**

What general improvements and maintenance work is to be carried out at the North Sydney federal building this year and what is the starting date for such work?

[Mr. Latulippe.]

Mr. Deschatelets: Alterations and additions to lock boxes postal accommodation, $2,000. It is proposed to call tenders for this work in August, 1964.

Interior painting, $2,400. Proposed for the winter of 1964-65.

COCKTAIL RECEPTIONS, TAXATION DIVISION, REVENUE DEPARTMENT

Question No. 415—**Mr. Dinsdale:**

1. Do officials of the national revenue department, taxation division, hold cocktail receptions in key communities across Canada?

2. If so, when and where have these receptions been held?

3. What is the cost of these receptions and who is invited.

Mr. McIlraith: 1. No.

2. Not applicable.

3. Not applicable.

RAILWAY BOARD OF ADJUSTMENT NO. 1

Question No. 421—**Mr. Rideout:**

1. Did the railway association of Canada or any of its member companies, such as the C.N.R. and C.P.R. request the board to prescribe a procedure before scrapping the 46 year old Canadian railway board of adjustment No. 17?

2. Where the terms of section 19 of the Industrial Relations and Disputes Investigation Act complied with?

3. Will the Canadian railway board of adjustment No. 1, as presently constituted, be continued until such time as the provisions of the act are complied with?

Mr. MacEachen: 1. No, as far as the Canada labour relations board is concerned.

2. This matter is at present under review.

3. Information is not available at the present time.

INTERNATIONAL CANCER RESEARCH AGENCY

Question No. 422—**Mr. Latulippe:**

1. Was an invitation received from the minister of public health of France, Mr. Raymond Marcellin, since November 6, 1963, asking Canada to participate in the creation of an international research agency on cancer and, if so, what was the answer of the government?

2. Did the Canadian government consult cancerologists and public health experts concerning the participation of Canada in such an agency?

3. Did Canada have one or more representatives or observers at the first and second meetings of such organization?

4. Did any Canadian physician or medical association submit representations concerning assistance to the said organization to the Minister of National Health and Welfare and, if so, was assistance granted and in what form?

5. What role does Canada play in the World Health Organization?

Miss LaMarsh: 1, 2 and 3. No formal request for Canadian participation has been received.

4. No.

5. In concert with all the members of the World Health Organization, Canada's aims are

to further enthusiastically the objectives of the organization, as expressed in its basic principles. In terms of health personnel, more than 60 Canadian specialists in various health and related disciplines are members of 24 of the 36 WHO expert advisory panels. In the area of specialized training, Canadian medical establishments—medical schools and schools of hygiene and nursing, clinics and teaching hospitals have provided and continue to make increasingly available training opportunities for WHO fellows and those under international auspices. On the professional staff of WHO, at headquarters or in the six regions, the number of Canadians total more than 4 per cent of the total professional staff.

Canada is now serving its third three year term on the executive board since WHO came into existence in 1948.

In current year estimates over $1,000,000 is provided to meet Canada's assessment for the annual budget of WHO, Canada being the sixth largest contributor of funds to the organization.

STRONTIUM 90 LEVELS

Question No. 423—**Mr. Latulippe:**

1. Is the level of strontium 90 higher in Canada than in any other country of the world and, if so, what are the reasons for this?
2. Does the government carry out tests to measure strontium 90 concentration in human bones or are tests carried out to measure only air and ground contamination?
3. What are the latest available statistics on this matter?

Miss LaMarsh: 1. It is not known if the levels of strontium 90 in Canada are higher than in any other country of the world but there is no reason why they should be. Evidence suggests that the highest level of deposition of strontium 90 occurs in a latitude band from about 30 to 60° N. Any country lying within this band and having about the same amount of rainfall would be expected to receive as much fall-out as Canada.

2. The nation-wide study includes measurements of strontium 90 in precipitation, soil, milk, wheat and human bone samples.

3. The latest statistics are contained in the monthly report "Data from Radiation Protection Programs", vol. 2, No. 2, February, 1964, copies of which were tabled on March 24.

PUBLIC BUILDING, KEARNEY, ONT.

Question No. 432—**Mr. Aiken:**

1. Who is the contractor for the public building at Kearney, Ontario?
2. What are the contract provisions concerning employment of local labour?
3. Is any local labour from Kearney or the immediate area being employed on this job?

Mr. Deschatelets: 1. Young's (Huntsville) Limited, Huntsville, Ontario.

2. The following clause is included in Department of Public Works construction contracts: "The contractor will use Canadian labour in carrying out the work to the full extent to which it is available, consistent with proper economy and the expeditious carrying out of the work. The contractor will employ labour from the locality where the work is being executed to the extent it is available and shall use the offices of the national employment service in the recruitment of workers wherever practicable."

3. Yes.

TRANSFER OF DUTIES RESPECTING WORLD FAIR

Question No. 436—**Mr. Latulippe:**

Have any duties in connection with the administration of the Canadian world exhibition been transferred to the parliamentary secretary to the Minister of Trade and Commerce and, if so, what is the nature of such duties and on what date were the duties assumed?

[*Translation*]

Mr. Sharp: I have stated publicly that I will expect my parliamentary secretary to assist me in the discharge of my responsibilities in relation to the Canadian world exhibition.

This responsibility was assigned to the Minister of Trade and Commerce on February 13, 1964 and Mr. Pepin's interest in this function became effective as of that date.

[*Text*]

TENDERS FOR POST OFFICE, MERIGOMISH, N.S.

Question No. 440—**Mr. MacEwan:**

1. What are the names of the tenderers and the amounts of their tenders on the proposed post office construction at Merigomish, Nova Scotia?
2. To whom will the contract be awarded?

Mr. Deschatelets: 1. Fraser, Mason and Fraser, New Glasgow, N.S., $10,993; McDougall Construction, New Glasgow, N.S., $11,839; Robert Higgins Co. Ltd., Trenton, N.S., $12,736.55; Eastern Contracting Ltd., New Glasgow, N.S., $13,200.

2. Fraser, Mason and Fraser, New Glasgow, N.S. have been awarded the contract.

CONTRACT FOR HOUSE CONSTRUCTION, FORT CHIMO, QUE.

Question No. 446—**Mr. Howard:**

1. During the fiscal year 1963 was any contract awarded for the construction of bungalows or houses at Fort Chimo, Quebec to Ron Engineering and Construction (Quebec) Limited and, if so, what was (a) the amount of the contract (b) the number of bungalows or houses (c) the cost of each bungalow or house, and (d) the use to which the bungalows will be put?
2. Since the contract was awarded has any revision been made to the said contract or any request made for such a revision and, if so, what are the details thereof?

Questions

Mr. Deschatelets: 1. Yes. (a) $185,368 (six dwellings, $155,508; power line, $6,000; roadwork, $23,860); (b) six (one-storey 3-bedroom bungalows); (c) $25,918; (d) to provide living accommodation for employees of the Department of Transport.

2. No revision has been made to the contract but a request has been received for an increase of $7,984.62 relating to shipping cost. This matter is presently under review by the department.

[*Later:*]

Mr. Frank Howard (Skeena): I should like to direct a question to the Minister of Public Works based upon an answer given earlier today to written question No. 446. I should like to ask the minister if he would look at the answer he gave us to ascertain whether a glaring mistake might have entered into the answer, because it indicates that more than $25,000 was spent for each one of six three-bedroom bungalows at Fort Chimo. In addition, he might ascertain whether $6,000 for a power line, $23,000 for road work and a potential additional amount of $8,000 for shipping costs are in line, in view of the government's desire to keep down expenditures.

Hon. J. P. Deschatelets (Minister of Public Works): I will look into this question.

POST OFFICE SITE, PORT LAMBTON, ONT.

Question No. 457—**Mr. McCutcheon:**

Is the Post Office Department currently negotiating to purchase property for the erection of a post office in Port Lambton, Ontario and, if so (a) at what stage are the negotiations, and (b) with whom are they being carried on?

Mr. Deschatelets: No.

(a) and (b)—not applicable.

MAIL CONTRACT, STONY RAPIDS-BLACK LAKE, SASK.

Question No. 459—**Mr. Cadieu (Meadow Lake):**

1. When were tenders called for the mail contract between Stony Rapids and Black Lake in the province of Saskatchewan?
2. How many companies entered bids on this contract?
3. What were the names of the competitors for this contract?
4. What was the figure in each case, and what were the determining factors in selecting the bidders?

Mr. Nicholson: 1. Public tenders for proposed air mail services are not called in view of the fact that only those air transportation companies licensed by the air transport board may operate in a particular area. We were advised that Calm Air and Saskair were the only air transportation companies licensed to provide a charter air service between Stony Rapids and Black Lake, Sask. Both companies were asked to submit offers in accordance with the department's practice of inviting bids from all companies licensed by the board.

2. Two.

3. Calm Air and Saskair.

4. Identical offers of $18 per round trip were received from both companies. This is in accordance with the tariffs each has filed with the A.T.B. for charter air service and the A.T.B. regulations.

In addition, Calm Air offered to provide the ground service between the post offices and airports at $2 per mail day. Saskair which has been conveying mail to other points in northern Saskatchewan including Stony Rapids, has a separate arrangement for ground handling at Stony Rapids and no additional charge at this point was involved. An offer to perform the required ground service at Black Lake for $2 per day was received from the Roman Catholic mission. Thus, in both cases, the over-all cost was $20 per day.

Because Saskair provides the connecting mail service at Stony Rapids, it was decided that it was in the interest of the postal service to accept their offer.

EMPLOYMENT SERVICE OFFICE, NORTHWEST TERRITORIES

Question No. 464—**Mr. Rheaume:**

1. Has the government any plans to set up a national employment service office in the Northwest Territories and, if so, when and where will this office be established?
2. If not, will the government investigate the need and desirability for such an office?

Mr. MacEachen: 1. No.

2. Since the office at Yellowknife was closed, the unemployment insurance commission has kept the area under constant review to ensure that adequate service is provided.

UNEMPLOYMENT INSURANCE OFFICE, NORTHWEST TERRITORIES

Question No. 465—**Mr. Rheaume:**

1. Has the government any plans to set up an unemployment insurance office in the Northwest Territories and, if so, when and where will this office be established?
2. If not, will the government look into the need and desirability for such an office?

Mr. MacEachen: 1. No.

2. Since the office at Yellowknife was closed, the unemployment insurance commission has kept the area under constant review to ensure that adequate service is provided.

EXPERIMENTS TO HELP DRUG ADDICTS

Question No. 467—**Mr. Orlikow:**

Is the government considering conducting an experiment such as is now being conducted in

New York city whereby drug addicts are each receiving daily doses of opium derivatives, with the aim of finding out whether addicts can be kept at level dosages and therefore lead otherwise normal, constructive lives?

Miss LaMarsh: Under Canadian legislation the provision of drugs in the treatment of addiction is entirely within medical judgment and responsibility in accordance with the concepts of good medical practice.

Meanwhile, the government is watching with close interest the experiment which is being conducted in New York city. The government is also watching with interest the results of experience in the United Kingdom whereby treatment procedures utilizing narcotic drugs are being conducted and in the light of any success to be derived from the New York and other experiments, will give further consideration to present narcotic policies.

UNCOLLECTED CORPORATION INCOME TAX

Question No. 480—**Mr. Bigg:**

What is the total amount of uncollected corporation income tax now due and unpaid for (a) 1961 (b) 1962 (c) 1963?

Mr. McIlraith: This information is not available in the form requested.

CITIZENSHIP AND IMMIGRATION EXPENDITURES ABROAD

Question No. 482—**Mr. Lessard (Lake St. John):**

What amounts were spent by the Department of Citizenship and Immigration, during the last three years, in (a) Great Britain (b) France (c) Belgium, and (d) Italy?

Mr. Badanai:

	1960-61	1961-62	1962-63	Totals
(a) Great Britain	$579,381	$563,172	$631,674	$1,774,227
(b) France	236,843	172,118	182,079	591,040
(c) Belgium	69,600	83,433	78,015	231,048
(d) Italy	161,257	170,912	173,996	506,165

REPAIRS TO TUG "CANSO"

Question No. 492—**Mr. Muir (Cape Breton North and Victoria):**

1. What were the names and amounts of tenders that were submitted for repairs to tug *Canso*?
2. Has a contract been awarded and, if so, to whom and at what amount?

Mr. Deschatelets: 1. Lunenburg Foundry & Engineering Ltd., Lunenburg, N.S., $3,758; Saint John Shipbuilding and Drydock Co. Ltd., Saint John, N.B., $4,374; Ferguson Industries Limited, Pictou, N.S., $4,918; Dominion Steel & Coal Corporation Ltd., Halifax Shipyards, Halifax, N.S., $5,700.

2. No. Tenders presently under study.

WESTMINSTER HOSPITAL, LONDON—TREATMENT OF HARRY PRUDER

Question No.494—**Mr. Loney:**

1. Was Harry Pruder, of R.R. No. 5, Wiarton, Ontario, notified to report to Westminster hospital, London, Ontario, during the month of March, 1964 and, if so, what was the duration of Mr. Pruder's stay in hospital?
2. What arrangements were made by the veterans hospital to accommodate Mr. Pruder while being examined?
3. Was return transportation available the day of discharge from hospital?
4. Does a war veteran instructed by the Department of Veterans Affairs to report to hospital have to pay out of pocket expenses for meals and hotel accommodation in such circumstances?

Mr. Teillet: 1. Mr. Pruder was notified to report to Westminster hospital during March 1964 and was examined on an outpatient basis.

2. He was offered rations and quarters in Westminster hospital, which he declined.

3. Return transportation by public conveyance was not available on that day.

4. When a veteran refuses accommodation in a departmental institution, he must himself arrange for his accommodation.

DISPATCH OF TROOPS TO CYPRUS

Question No. 495—**Mr. Gauthier:**

1. What reasons prompted the Canadian government to dispatch French speaking troops to Cyprus in advance of units to be despatched by other UN members?
2. Have any British or American contingents been sent to Cyprus and, if so (a) in what numbers (b) on what dates?

[*Translation*]

Answer: 1. A battalion of the Canadian Army Regular is designated on a rotational basis to be the United Nations stand by battalion, to be available on short notice. At the time a decision was made to send Canadian troops as part of a United Nations force to Cyprus, the R22eR was the UN stand-by battalion, having been so designated since 5 April, 1961, and was therefore able to be dispatched without delay. Since then, another battalion of the Canadian Army Regular, 1st Battalion, The Canadian Guards, has been designated as the UN stand-by battalion.

2. British troops were already in Cyprus before the UN force came into being and it is understood approximately 3,500 will be included as part of the UN force. No United States contingents have been sent to Cyprus.

Questions

[*Text*]

SUPERVISION OVER SEAL HUNTING

Question No. 496—**Mr. Lambert:**

1. What control has the government of Canada over the commercial hunting of seals in both the coastal waters and in the open seas?
2. What department of government is responsible for such supervision?
3. What actual supervision has been made of seal hunting in the gulf of St. Lawrence and waters adjacent to Newfoundland and Labrador in 1964?
4. Are any changes contemplated in the regulations with a view to better conservation measures of the various types of commercially hunted seals?

Answer: 1. Regulations for the protection of seals are enacted under authority of the Fisheries Act. However, these can apply only to Canada's nationals.

2. The Department of Fisheries.

3. Close to 100 officers and men are supervising operations to the extent they can by land and water patrol. This effort is supplemented by aerial patrols.

4. The regulations have recently been revised to require the licensing of all boats of over 40 feet in length that take part in the seal fishery. These regulations will enable closer control.

From an international standpoint conservation of seal herds is one of the matters which receives attention by the northwest Atlantic fisheries commission. Preliminary discussion took place at the commission's annual meeting at Halifax last year and all countries party to the convention, which establishes the commission, were instructed to be prepared to discuss the matter fully at the next annual meeting to be held this year at Hamburg.

LANCASTER, N.B., MILITARY HOSPITAL—TRANSFER OF CONTROL

Question No. 504—**Mr. MacRae:**

Have discussions taken place between the Department of Veterans Affairs, on the one hand, and the cities of Saint John and Lancaster in New Brunswick and the government of New Brunswick, on the other, concerning the transfer of Lancaster military hospital from the Department of Veterans Affairs to either local or provincial authority?

Mr. Teillet: No such discussions have taken place.

CIVIL SERVICE COMPETITION 63-PO-30-18

Question No. 505—**Mr. Francis:**

1. Who was the successful applicant in promotional competition 63-PO-30-18 postal officer 1 for the Ottawa post office which closed on November 8, 1963?
2. How many candidates entered this competition?
3. Who were the ten candidates judged, in the opinion of the board, most satisfactory for the position and in what order were they ranked?
4. How many years of postal experience did the successful candidate have?

[Mr. Gauthier.]

5. Did the applicant have any previous experience in this branch or in this work?
6. Did any other candidate in the competition have experience in this branch?

Mr. Nicholson: 1. Mr. J. A. P. Ladouceur.

2. Seventeen.

3. Three other candidates were considered qualified for the position. Having regard for the right to privacy of the candidates and the possibility that publication of information could prove to be not only embarrassing but prejudicial to them, it is felt that the names of the other candidates in this competition and details concerning their qualifications should not be published. This is in conformity with the general practice laid down by the civil service commission.

4. Eleven years.

5. Yes.

6. Yes.

WHEAT SHIPMENTS BY PORTS

Question No. 508—**Mr. Dinsdale:**

What was the number of bushels of wheat shipped from the following ports for each year 1956-63 (a) Eastern (b) Vancouver (c) Churchill?

Answer: Shipment of wheat from Canada, special ports, crop years 1956-57—1962-63:

Crop Year	Eastern[1]	Vancouver New Westminster (bushels)	Churchill
1956-57	102,016,102	102,882,125	16,250,320
1957-58	120,463,858	127,497,256	18,395,046
1958-59	123,836,279	105,162,912	18,409,322
1959-60	115,861,229	92,246,198	21,700,045
1960-61	164,151,331	118,720,154	20,094,890
1961-62	152,072,853	145,520,324	19,244,868
1962-63	137,641,309	129,747,805	21,761,757

[1]Includes Fort William-Port Arthur direct, Canadian St. Lawrence ports, Canadian Atlantic seaboard ports and U.S.A. Atlantic ports.

REVENUE FROM 4 PER CENT EXCISE TAX

Question No. 517—**Mr. Lessard (Lake St. John):**

What revenue did the government collect from the application of the first 4 per cent of the tax on construction materials and production machinery during the period from June 13, 1963, to March 31, 1964?

Mr. McIlraith: This information is not available as sales tax accounting is not maintained on a commodity basis.

P.O. DEPARTMENT PAYMENTS TO ONTARIO NORTHLAND RAILWAY

Question No. 531—**Mr. Peters:**

What was the amount of revenue paid by the Post Office Department to the Ontario Northland

Railways (a) for the years 1960, 1961, 1962, and 1963 (b) for each month of 1963 (i) for service on trains 46 and 47 (ii) for service on trains 49 and 50 (c) what was the amount in each case paid for each service for 1963 (i) mail sorting service (RPO) (ii) regular mail (iii) drop mail (iv) overflow mails (v) other postal revenue?

Mr. Nicholson: (a) 1960, $170,069.74; 1961, $167,815.02; 1962, $170,172.65; 1963, $171,208.72.

(b)	(i) Trains 46 and 47	(ii) Trains 49 and 50
January	$ 9,618.81	$2,582.13
February	8,751.89	2,415.35
March	9,942.75	2,566.79
April	9,431.35	2,634.25
May	9,889.39	2,900.80
June	9,423.21	2,580.43
July	9,594.29	2,636.09
August	9,672.12	2,766.08
September	9,648.83	2,867.44
October	10,188.50	3,161.56
November	10,054.02	3,322.96
December	11,999.86	6,277.56

(c)	Trains 46 and 47	Trains 49 and 50
(i)	$82,869.60	nil
(ii)	nil	$36,711.44
(iii)	nil	nil
(iv)	35,345.42	nil
(v)	3,000.00	nil

MOTIONS FOR PAPERS

GOVERNMENT CONTRACT REGULATIONS

Motion No. 6—**Mr. Nielsen:**

That an order of the house do issue for a copy of government contract regulations together with any other documents relating to the awarding of contracts by the government for the supply of goods and/or services to the government.

Mr. McIlraith: Mr. Speaker, I have discussed this notice of motion with the hon. member and have pointed out that the words "together with any other documents" as they appear in the notice of motion would involve the production of all the contracts as well. Subject to the deletion of those words, there is no objection to the motion carrying.

Mr. Speaker: Subject to the reservation as stated by the minister, is it the pleasure of the house to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

UNEMPLOYMENT INSURANCE BENEFITS FOR RETURNING LOGGERS

Motion No. 9—**Mr. Latulippe:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house copies of all letters, telegrams and other documents exchanged between the Minister of Labour or officers of his department and officials of the national employment office, unemployment insurance commission, the competent authorities in Maine and Vermont, officials of the United States department of the interior and labor secretariat, and between the unions and the Canadian and American companies concerned with the problem of Canadian loggers permanently or seasonally employed in the United States forest industry who cannot obtain unemployment insurance benefits on their return to Canada.

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, we would ask that notices of motions Nos. 9 and 10, as well as those numbered 29 to 52 inclusive be allowed to stand.

Mr. Speaker: Accordingly those motions stand.

[*Text*]

CONVERSION TO FRENCH OF STATION CJBC, TORONTO

Motion No. 13—**Mr. Howe (Wellington-Huron):**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house a copy of all telegrams and other correspondence exchanged between the C.B.C., individuals and organizations, in connection with the conversion of the Toronto radio station CJBC from English speaking to French speaking.

Mr. Lamontagne: May I speak briefly on this motion at this time. This motion is for the production of copies of telegrams and other correspondence exchanged between the C.B.C. and individuals or organizations in connection with the conversion of Toronto radio station CJBC from an English station to a French station. I am informed by the C.B.C. that a total of 1,904 letters have been received in this connection. I am further informed that the comments expressed in these letters are almost evenly divided between those favourable and those unfavourable to the conversion.

If the C.B.C. were to comply with the motion as it now reads it would require the duplication of over 3,800 communications representing a total of approximately 5,000 pages. The cost involved for this reproduction would be approximately $2,000. On the basis of this information, perhaps the hon. member would wish to withdraw his motion as he is now provided with what might be considered as the necessary, pertinent details. If the hon. member is not agreeable to this course, I have no objection to the motion.

Mr. Howe (Wellington-Huron): Mr. Speaker, in view of the tremendous interest that has been shown in this question, particularly in my area and the area surrounding the city of Toronto, I do not think $2,000 is too much when we consider how much it takes to keep the C.B.C. organization going. I wish, therefore, to proceed with the motion.

Mr. Speaker: Did I understand the minister to say that, subject to the reservation expressed by the minister—

Some hon. Members: There was no reservation.

Motion agreed to.

COLLECTIVE BARGAINING FOR PUBLIC SERVANTS

Motion No. 21—**Mr. Stefanson (for Mr. Smallwood):**

That an order of the house do issue for a copy of all letters, memoranda or other documents forwarded since April 22, 1963, by any member of parliament representing an electoral district in the national capital region, to the Prime Minister, the Minister of Finance, the Secretary of State or any official of these departments or to the civil service commission on the subject of collective bargaining for public servants.

Mr. Pickersgill: Since the hon. gentleman in whose name the motion stands is not here, and I had hoped to speak to the hon. gentleman about this motion and the next one, I wonder if they could both stand?

Motion stands.

OTTAWA—LEASE OF SPACE IN BOURQUE BUILDING

Motion No. 25—**Mr. Hales (for Mr. Chaplin):**

That an order of the house do issue for a copy of all leases, agreements to lease, letters of intent to lease or other similar documents, dated since the 22nd day of April, 1963, relating to the occupancy by the government of Canada of space in the proposed Bourque memorial building in the city of Ottawa, together with a copy of all correspondence, briefs or other documents exchanged since the said date between the Minister of Public Works or any of the officers of that department and the owners of the said building or anyone acting or purporting to act on their behalf.

Mr. McWilliam: There is no objection to this motion, and the documents are tabled herewith.

Motion agreed to.

CANADA DEVELOPMENT CORPORATION

Motion No. 27—**Mr. Hales (for Mr. Weichel):**

That an order of the house do issue for a copy of all telegrams, letters, representations and briefs made to any member of the government between April 12, 1963, and the date hereof regarding the setting up or constitution of the Canada development corporation.

Motion agreed to.

MAILING LIST FOR BILL RESPECTING INDIAN CLAIMS

Motion No. 58—**Mr. Howard:**

That an order of the house do issue for a list of the names and addresses to whom Bill C-130 of the first session of the twenty sixth parliament entitled an act to provide for the disposition of Indian claims was sent, not including those distributed by the queens printer, and for a copy of any accompanying letter or other communication.

[Mr. Howe (Wellington-Huron).]

Mr. Badanai: There is no objection to this motion, and the hon. member has already been given copies of this list. There is no objection to the motion.

Motion agreed to.

DISPOSITION OF INDIAN RESERVE LANDS, BURNS LAKE, B.C.

Motion No. 61—**Mr. Howard:**

That an order of the house do issue for a copy of all applications for, and inquiries relating to the purchase, lease or rental of Indian reserve lands which are now situated in the Burns Lake Indian agency between the period January 1, 1954 and December 31, 1962.

He said: Mr. Speaker, may I present another request and ask that this one be withdrawn?

Mr. Speaker: Withdrawn.

Order discharged and motion withdrawn.

INDIAN RESERVE LANDS, BURNS LAKE, B.C.

Motion No. 62—**Mr. Howard:**

That an order of the house do issue for a copy of all correspondence, telegrams and other documents exchanged between the government or any agency or branch thereof and any other person, group or organization relating to Indian reserve lands in the Burns Lake Indian agency since January 1, 1963.

Mr. Badanai: Mr. Speaker, I would ask that the hon. member be good enough to withdraw this motion, inasmuch as there is no correspondence.

Mr. Speaker: There is a request to the hon. member that he withdraw the motion, as there is no correspondence.

Mr. Howard: If that is the case I would be quite happy to withdraw it.

Order discharged and motion withdrawn.

STEWART-CASSIAR ROAD, B.C.

Motion No. 64—**Mr. Howard:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house a copy of all correspondence, telegrams and other documents exchanged between the government or any agency or branch thereof and the government of the province of British Columbia since January 1, 1963 relating to the Stewart-Cassiar road.

Mr. Laing: Mr. Speaker, this is entirely acceptable to the government, subject only to the assent of the government of the province of British Columbia.

Mr. Speaker: Subject to the reservation expressed by the minister is it the pleasure of the house to adopt this motion?

Some hon. Members: Agreed.

Motion agreed to.

DOGFISH CONTROL MEASURES

Motion No. 65—**Mr. Howard:**

That an order of the house do issue for a copy of all correspondence, telegrams or other documents exchanged between the government, or any agency or branch thereof and any other person, organization, or group since January 1, 1963 relating to dogfish (*Squalus suckleyi*) control measures.

Mr. Robichaud: Mr. Speaker, the government has no objection to releasing correspondence relating to *Squalus suckleyi.*

Motion agreed to.

H.M.C.S. "CHATHAM", PRINCE RUPERT, B.C.

Motion No. 67—**Mr. Howard:**

That an order of the house do issue for a copy of all correspondence, telegrams and other documents exchanged between the government or any agency or branch thereof and any other person, group, or organization since July 1, 1963 relating to the H.M.C.S. *Chatham* at Prince Rupert, B.C.

Mr. Hellyer: There is no objection to this, Mr. Speaker.

Motion agreed to.

AUTOMATION IN PUBLIC SERVICE

Motion No. 73—**Mr. Nielsen:**

That an order of the house do issue for a copy of all letters, briefs or memoranda written or presented by any staff association of the public service of Canada since the 22nd day of April, 1963, to the Prime Minister, the Minister of Finance or the Secretary of State or any official of these departments or the civil service commission on the subject of automation in the public service of Canada, together with any replies thereto.

Mr. Lamontagne: No objection, Mr. Speaker.

Motion agreed to.

LOCATION OF WOMEN'S PRISON, ONTARIO

Motion No. 74—**Mr. Fairweather:**

That an order of the house do issue for a copy of all correspondence, letters, telegrams and other messages between the Prime Minister, the Minister of Justice, the Department of Justice and the John Howard society, the Elizabeth Fry society about the location of the new women's prison in Cornwall, Ontario.

Motion agreed to.

TERRITORIAL PARTICIPATION IN DOMINION-PROVINCIAL CONFERENCES

Motion No. 77—**Mr. Nielsen:**

That an order of the house do issue for a copy of the letter written by the Prime Minister to the provincial premiers with respect to the participation by the governments of the Yukon and Northwest Territories in future federal-provincial conferences.

Mr. Davis: There is no objection to this motion, Mr. Speaker.

Motion agreed to.

REPRESENTATIVE LISTS OF SUPPLIERS

Motion No. 78—**Mr. Nielsen:**

That an order of the house do issue for a copy of the representative list and/or representative lists of suppliers (now in use) as defined by paragraph 2 (e) (ii) of the government contracts regulations being P.C. 1954-1971 dated December 16, 1954 from each department of the government.

Mr. McIlraith: Mr. Speaker, I have discussed this motion and motions Nos. 79, 80 and 81 with the hon. member, and I would ask to have them stand in order to get clarification.

Mr. Nielsen: I believe the minister intends to include No. 78 as well, Mr. Speaker.

Mr. McIlraith: Yes.

Mr. Speaker: Then motions Nos. 78, 79, 80 and 81 stand.

Motions stand.

ADMINISTRATION OF ESKIMO AFFAIRS, QUEBEC

Motion No. 82—**Mr. Rheaume:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house a copy of all correspondence, telegrams or other documents exchanged between the federal government or any branch or agency thereof and (a) the government of the province of Quebec (b) the Eskimo people of northern Quebec or any of their representatives (c) any other person, agency or association, relating to the proposed transfer of administration of Eskimo affairs in northern Quebec from the federal government to the government of the province of Quebec.

Mr. Laing: Mr. Speaker, the government will be glad to table all this information, subject only to the assent of the government of the province of Quebec.

Mr. Speaker: Subject to the reservation expressed by the minister, is it the pleasure of the house to adopt this motion?

Some hon. Members: Agreed.

Motion agreed to.

[*Later:*]

Mr. Nielsen: Before leaving this order, Mr. Speaker, with respect to motion No. 82, I would just like to point out to the Minister of Northern Affairs and National Resources that the consent of the government of Quebec will not be necessary with regard to the correspondence passing between the government and the Eskimo people, referred to in part (b) of the motion.

Mr. Laing: It is part of the motion, Mr. Speaker, and I think the motion would have to be dealt with in its entirety rather than by way of separation.

Motions for Papers

POST OFFICE SITE, MARGAREE VALLEY, N.S.

Motion No. 83—**Mr. Bell (for Mr. MacEwan):**

That an order of the house do issue for a copy of all correspondence, telegrams or other documents exchanged between the government and any agency or branch thereof, and any other person, group or organization, regarding the proposed site, or sites for a post office at Margaree Valley, Nova Scotia,

Mr. Lamontagne: No objection, Mr. Speaker.

Motion agreed to.

SERVICE CONTRACTS LET WITHOUT TREASURY BOARD APPROVAL

Motion No. 84—**Mr. Nielsen:**

That an order of the house do issue for a return showing:

1. What service contracts have been entered into by or on behalf of the government by any contracting authority as defined by paragraph 2 (c) of the government contracts regulations being P.C. 1954-1971 dated December 16, 1954, since April 8, 1963, without the approval of treasury board for engineering, architectural or related or similar services?

2. Where the amount payable under such contract did not or does not exceed $15,000 (a) by whom was the contract awarded (b) to whom was the contract awarded (c) what method was used to select the contractor (d) what factors determined the selection of the contractor (e) what was the amount payable under the contract (f) where tenders were invited, were such tenders invited by public advertisement or from a representative list or lists (g) where tenders were invited, how many were invited and from whom and how many received and from whom in each case (h) where tenders were invited from a representative list or lists, what method was used to select the name or names of those invited to tender (i) where tenders were invited from a representative list or lists, what factors determined the selection of those invited to tender (j) in each case, where was the service to be performed (k) in each case was an opinion, suggestion or recommendation sought by the contracting authority or any person on behalf thereof from any defeated Liberal candidate or any person in any way associated with any Liberal organization in Canada; and, if so, by whom was such opinion, suggestion or recommendation sought and from whom was such opinion, suggestion or recommendation given and in each case was the same verbal or written?

3. (a) What is the answer to (1) above in the case of service contracts for the hire of equipment to be used in or incidental to the execution of a work (b) what is the answer to each of the questions in (2) above in the case of each such service contract described in the answer to 3(a)?

4. (a) What is the answer to (1) above in the case of service contracts for advertising or related or similar services (b) what is the answer to each of the questions in (2) above in the case of each such service contract described in the answer to 4(a) where the amount payable under the contract did not or does not exceed $5,000?

5. (a) What is the answer to (1) above in the case of service contracts for transportation services, or the hire or charter of vehicles, vessels or aircraft; (b) what is the answer to each of the questions in (2) above in the case of each such service contract described in 5 (a), (i) where the service was or is to be furnished or performed by a common carrier at a rate not in excess of standard rates (ii) where the amount payable under the contract did not exceed $15,000 and the service was or is to be furnished or performed by persons other than common carriers at a rate in excess of standard rates (iii) where the service was or is to be furnished or performed under a charter of hire contract and the amount payable thereunder did not or does not exceed $15,000?

6. (a) What is the answer to (1) above in the case of service contracts for the supply of electricity, gas, water or heat (b) what is the answer to each of the questions in (2) above in the case of each such service contract described in 6 (a)?

7. (a) What is the answer to (1) above in the case of service contracts for stenographic, reporting or related or similar services (b) what is the answer to each of the questions in (2) above in the case of each such service contract described in 7 (a) where the amount payable under the contract did not or does not exceed $1,000?

8. (a) What is the answer to (1) above in the case of service contracts for maintenance services, including cleaning, road clearing and snow, garbage and waste removal or disposal (b) what is the answer to each of the questions in (2) above in the case of each such service contract described in 8 (a) where the amount payable under the contract did not or does not exceed $5,000?

9. (a) What is the answer to (1) above in the case of service contracts for maintenance and inspection of elevators (b) what is the answer to each of the questions in (2) above in the case of each such service contract described in 9 (a)?

10. (a) What is the answer to (1) above in the case of service contracts for the repair, overhaul, and refitting of vehicles, aircraft, and equipment, other than office equipment (b) what is the answer to each of the questions in (2) above in the case of each such service contract described in 10 (a)?

11. (a) What is the answer to (1) above in the case of (i) telecommunication services (ii) radio telephone services (iii) the rental of telecommunication equipment (iv) the rental of short or local lines (v) the rental of long lines; (b) what is the answer to each of the questions in (2) above in the case of each such service contract described in 11(a)?

12. Were any service contracts specified in paragraphs 1, 3, 4, 5, 6, 7, 8, 9, 10 and 11, entered into where the amount, rate or other sum payable under the contract exceeded the amount, rate or sum prescribed by part III of the government contracts regulations; and, if so, in each case, where such a contract was entered into, what is the answer to each of the questions in (2) above?

13. What service contracts, the term of which exceeds 5 years, have been entered into with or without the approval of treasury board and in each case what is the answer to each of the questions in (2) above?

14. What service contracts have been entered into where the amount, rate or sum payable thereunder has been increased with the approval of treasury board and, what was the amount of such increase, by whom was it authorized and why was it made?

15. What service contracts have been entered into where the amount, rate or sum payable thereunder has been increased without the approval of treasury board and, what was the amount of the increase, by whom was the increase authorized and why was it made?

16. In the case of service contracts entered into where the amount payable thereunder was increased, in what cases were increases made in excess of the limitations prescribed by part III of the government contracts regulations and by what authority were such increases made?

Mr. McIlraith: Mr. Speaker, with regard to this notice of motion, it will be seen by

hon. members that it would be quite impossible to meet the requirements of the notice without several months' work in many departments of the government. I have not been able to obtain from all the departments concerned a precise estimate of the time and expense that would be involved in meeting the requirements of this motion. I have it from some departments, and it is obvious that it will require several months and several tens of thousands of dollars. I would therefore ask the hon. member to withdraw this notice of motion, and I will be very glad to meet with him to see if one can be drafted that can be met without making such an unreasonable demand on the treasury.

Mr. Nielsen: Mr. Speaker, I spoke with the minister before entering the house, and I would be very happy to have the motion stand until he can assess a different method of approach, perhaps over the Easter recess, and I will do likewise. Then perhaps we can consult again after we come back on the 6th.

Motion stands.

CONSTRUCTION OF CATV TRANSMISSION TOWERS

Motion No. 85—**Mr. Southam:**

That an order of the house do issue for a copy of all correspondence, letters, telegrams, orders in council and messages between the Minister of Transport, the Secretary of State, and any of their officials and officials of the board of broadcast governors in connection with the order of December 31, 1963 and subsequent orders prohibiting until further notice the issuance of licences to applicants for the construction of CATV transmission towers and other appurtenances.

Mr. Pickersgill: Mr. Speaker, I wonder if before you put this motion I could just say a word which might make that unnecessary. There is no correspondence other than two letters, one dated December 31, 1963 from the Secretary of State to the chairman of the board of broadcast governors enclosing a copy of the statement of December 31, 1963 and asking the board of broadcast governors to consider the problem and make a report to the government, and the other dated March 9 accompanying the B.B.G.-D.O.T. recommendations, which was addressed jointly to myself as Minister of Transport and to the Secretary of State.

As hon. members know, correspondence between a minister of the crown and a body such as the board of broadcast governors has been considered privileged by successive governments, and therefore not subject to production. While we in the government would not like the motion to pass, which might be regarded as a precedent, the government in this particular case has no objection whatever to tabling these particular letters on its own responsibility. I would be glad to do that if the hon. gentleman would agree not to press his motion.

Mr. Southam: Agreed, Mr. Speaker.

Order discharged and motion withdrawn.

SOCIAL INSURANCE

AUTHORITY FOR DISTRIBUTION OF APPLICATION CARDS

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, in view of the fact that we are approaching the end of this portion of the session and answers have been given to certain questions connected with applications that are being sent out for social insurance numbers, I would ask the minister this question. Were these forms sent out not only to persons listed as being eligible for unemployment insurance but to others as well? If so, under what authority were they sent to the others? Second, what is the obligation to fill out this application form for those who are not listed as being eligible for unemployment insurance?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, I will have to make inquiries in respect to the factual aspect of the question asked by the right hon. gentleman. The obligation to register, or to apply for a social insurance number, applies to persons in insurable occupations normally covered under the Unemployment Insurance Act. There is no obligation to register on the part of any other citizen. We are asking other citizens to register voluntarily and to acquire a social insurance number for further purposes, especially the proposed Canada pension plan.

Mr. Diefenbaker: In so far as sending out these forms to those who are not subject to unemployment insurance is concerned, it is simply anticipating the passage of the bill establishing the Canada pension plan; is that the position? How many were sent out—

Some hon. Members: Order.

Mr. Diefenbaker: —to other than those actually contemplated as in prospective receipt of unemployment insurance?

An hon. Member: Order paper.

Mr. Diefenbaker: Mr. Speaker, I—

An hon. Member: Sit down.

Mr. MacEachen: Mr. Speaker, I will be glad to check on the number of applications that have been sent out. My information at this stage is that applications have been forwarded to employers, but I will be glad to make a further check. I will simply

reiterate what I have stated, that the obligation derives from the authority of the Unemployment Insurance Act for the insurable population. Others are invited to register voluntarily so that this numbering system will be available for a proposed Canada pension plan, and in accord with one of the recommendations of the Glassco commission.

Mr. Diefenbaker: Mr. Speaker, a moment ago there was an interruption that I cannot allow to pass unchallenged. It was "Sit down". I wish the hon. gentleman would identify himself, because apparently he is not housebroken yet.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I wish to direct a supplementary question to the Minister of Labour. If there are persons who may wish to apply voluntarily for these social insurance numbers but to whom forms have not been sent, can they get them from somewhere or make application for them?

Mr. MacEachen: Yes, Mr. Speaker; these persons, as I understand it, will be invited to come to the national employment service offices and fill out these forms. I will be glad, however, to make further inquiries and possibly give more detailed answers to all these questions tomorrow.

Mr. A. D. Hales (Wellington South): Mr. Speaker, I have a supplementary question. Could the Minister of Labour advise the house, to clear up this situation, whether the government is going to give everybody in Canada a registration number, or only those eligible for unemployment insurance?

Mr. MacEachen: Mr. Speaker, our desire is to include all the employed population especially, at this stage; all persons who might be eligible for social insurance programs, including unemployment insurance and the proposed Canada pension plan. That is our objective, in order to have an appropriate system for social benefit purposes.

Mr. Fisher: Social credit.

Mr. MacEachen: But at present we have no authority to register persons other than the insurable population, unless these persons whom we are inviting come forward voluntarily to secure these application forms.

NATIONAL DEFENCE

INQUIRY AS TO AVAILABILITY OF WHITE PAPER

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I should like to ask the Minister of National Defence whether he can assure the house that no copies of the white paper have been made available to other persons outside his department before being tabled in this house.

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, none has been made available to anyone who is not a member of the ministry of the government of Canada, or those officials in the department who are entitled to have access to it.

Hon. Paul Martineau (Pontiac-Temiscamingue): A supplementary question. Is the minister going to issue his white paper tomorrow, and will it contain any items not already reported in the press?

Mr. Hellyer: The answer is yes to both questions, Mr. Speaker.

Mr. Lambert: A supplementary question. In this connection is the minister able to advise the house whether a certain story in this afternoon's Ottawa *Citizen* is speculative or founded on information obtained by direct access to the report?

Mr. Hellyer: Mr. Speaker, I have not seen this paper.

Mr. Lambert: The story identifies the document as being 30 pages in length. It speaks of integration of the services; it speaks of five years' financial budgeting, and many other items which have appeared in previous stories. I am now asking the minister whether he is advising the house that no one outside of those persons he has now mentioned has had access, either verbally or visually, to the contents of this report.

Mr. Hellyer: Well, Mr. Speaker, certainly to my knowledge no one has had access to it who was not entitled to such access, and I think this is all I have responsibility for. As far as people talking is concerned, it is very difficult to control this.

Mr. Lambert: A supplementary question. May we obtain an assurance from the minister that he will inquire into the security coverage of this white paper to see that there have been no unauthorized leaks?

Mr. Hellyer: I will certainly check that, Mr. Speaker, but the press have come to recognize that the policy of the Department of National Defence is now rational, and on that basis they are able to make some speculative guesses which may or may not prove accurate.

APPREHENSION OF PERSONS RESPONSIBLE FOR ARMOURIES THEFTS

On the orders of the day:

Mr. Mac T. McCutcheon (Lambton-Kent): My question is for the Minister of Justice. Is

the minister now in a position to make a statement to the house on the progress, or lack of it, in connection with the apprehension of those responsible for the thefts from armouries in Quebec?

Hon. Guy Favreau (Minister of Justice): I should like to report on progress, and I could, if my duties allowed me to do so. I would not be in a position to report on any lack of progress. But I think my answer must be the same as before. It would not be in the public interest for me to report to the house at this time.

[*Translation*]

Hon. Paul Martineau (Pontiac-Temiscamingue): Mr. Speaker, further to the answer that has just been given by the Minister of Justice, can he tell us now whether there have been any arrests in this connection?

Mr. Favreau: Up to date, not to my knowledge, Mr. Speaker.

[*Text*]

LUCKNOW, ONT.—REQUEST FOR RETURN OF ARMS TO HIGH SCHOOL

On the orders of the day:

Mr. John Loney (Bruce): I have a question for the Minister of National Defence. Will the minister inform the house when the small arms and ammunition removed from the Lucknow district high school will be returned to the cadet corps so that they may resume their training for the defence of Canada?

Mr. Speaker: May I suggest that is a question for the order paper.

BROADCASTING

COMMUNITY ANTENNA SYSTEMS—REQUEST FOR POLICY STATEMENT

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): May I ask the Minister of Transport whether he intends to leave the community antenna question up in the air during the recess, or does he intend to bring it down to the ground?

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, the hon. member, as well as the rest of the house, will recognize that this is not a question which I could settle by myself. As the Secretary of State pointed out the other day, the report was presented to the government last week and considered by the government briefly at that time, being made public the same day. Through me the government has received a verbal request, and may already have received a written request, from the president of the national community antenna television association of Canada that that association should be permitted to make representations to the government before the government makes any final decision on policy. Therefore I see no prospect of any decision being reached until after the Easter recess, and I should like to emphasize that that is the request of the organization of the people engaged in this activity.

Mr. A. D. Hales (Wellington South): A supplementary question. Is the minister going to grant the request of the CATV?

Mr. Pickersgill: I understand that the formal request is being made to the Prime Minister, and knowing how this government behaves I am quite sure it will be granted.

AGRICULTURE

POTATOES—CONSIDERATION OF DISPOSAL PROBLEM IN NEW BRUNSWICK

On the orders of the day:

Hon. H. J. Flemming (Victoria-Carleton): Mr. Speaker, I have a question for the Minister of Agriculture. Has the minister received a request from the New Brunswick government, the potato producers association of Carleton-Victoria and zone L, or any other reliable producer or dealer, to send a representative from the agricultural stabilization board to meet with the potato producers association directors to look into the present potato disposal problem in New Brunswick?

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker—

Some hon. Members: Hear, hear.

Mr. Hays: I am very pleased to be back in the house, Mr. Speaker, and I want my good friend from Joliette-L'Assomption-Montcalm to know that I also missed him. In answering the question asked, representations along the lines outlined by the hon. member have not been received. However, I can assure him that should such representations be made I would be pleased to give them every consideration. The agricultural stabilization board has the matter of potato prices under close study, and I am pleased to be able to inform the house that potato prices have shown a marked upward trend in the last few days, with yesterday's unofficial New Brunswick quotations ranging between $1.75 to $1.85 per barrel, with some points reporting as high as $2 per barrel.

Mr. Flemming (Victoria-Carleton): May I ask a supplementary of the minister. Does he see any particular reason why a request of this nature would not be complied with?

Mr. Hays: I would be very pleased to meet them and discuss their problems.

Inquiries of the Ministry

DOMINION-PROVINCIAL RELATIONS

QUEBEC—REQUEST FOR LARGER SHARE OF REVENUE

On the orders of the day:

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I intended to direct my question to the right hon. Prime Minister, but in his absence, I will ask the Minister of Justice or the Secretary of State to answer. Has the government received a communication from the Quebec premier repeating the demands he made last year, when he asked the federal government for a larger share of the tax revenue in Canada?

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, I will be pleased to bring this question to the attention of the right hon. Prime Minister.

[*Text*]

NEWFOUNDLAND—WITHDRAWAL OF MILITARY ESTABLISHMENTS

On the orders of the day:

Mr. Heath Macquarrie (Queens): I have a question for the Minister of National Defence. Has the minister received a protest from the premier of Newfoundland on the grounds that the hon. gentleman's announcement of the withdrawal of the R.C.A.F. and R.C.N. establishments at Torbay and Fort Pepperrell constitutes a violation of term 44 of the terms of union between Newfoundland and Canada whereby Canada guaranteed to provide defence forces in the province?

Hon. Paul Hellyer (Minister of National Defence): Did the hon. gentleman say "from the premier of Newfoundland"? No, not to my knowledge, Mr. Speaker.

ADMINISTRATION OF JUSTICE

QUEBEC—POSSIBLE CRIMINAL CHARGES AGAINST JUDGE

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Minister of Justice—

Mr. Guay: That ought to be something.

Mr. Pigeon: Mr. Speaker, I should like to direct my question to the Minister of Justice, not to the hon. member for Levis (Mr. Guay).

Since Judge Wagner, in his report concerning an alleged fraudulent bankruptcy, has recommended that charges of perjury and other charges be laid against Judge Adrien Meunier, of the Quebec superior court, can the minister tell the house if he intends to take immediate action to suspend Judge Meunier until the case is settled?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, as regards the last part of the question, I must tell the hon. member that my jurisdiction, for the time being, does not extend that far.

As for the first part of the question, I must say that until now I have been kept informed of Judge Wagner's decision. I also know that the matter has been referred to the attorney general of the province of Quebec.

Mr. Pigeon: Mr. Speaker, a supplementary question—

[*Text*]

Mr. Speaker: Order, please. I think it is my duty to bring to the attention of the hon. member citation 152 of Beauchesne's fourth edition, paragraph 4, and with the permission of the house I will read it:

> (4) All references to judges and courts of justice and to personages of high official station, of the nature of personal attack and censure, have always been considered unparliamentary, and the Speakers of the British and Canadian houses have always treated them as breaches of order. Members have even been interrupted in committees of the whole by the chairman when they have cast an imputation upon a judicial proceeding. The proper course for persons who feel called upon to attack the conduct of a judge is to proceed by way of a petition in which all the allegations are specifically stated so that the person accused may have full opportunity to answer the charges presented against him.

In the circumstances may I suggest to the hon. member that he desist.

[*Later:*]

[*Translation*]

Mr. Pigeon: Mr. Speaker, when I put a question to the Minister of Justice a moment ago you rightly ruled that a member of the house could not attack a judge. But I did not lodge any accusation against Judge Meunier; I only made a reference to an official report published and issued by Judge Wagner of Montreal. And that is why I asked the Minister of Justice whether he intended to suspend Judge Meunier in the light of that official report issued by another judge of Montreal.

[*Text*]

Mr. Speaker: Order. I did not refer to this citation before but it is a further citation in Beauchesne. Citation 149 reads in part as follows:

> Besides the prohibitions contained in standing order 35 it has been sanctioned by usage both in England and in Canada that a member, while speaking, must not:
>
> (c) refer to any matter on which a judicial decision is pending;—

(j) cast reflections upon the conduct of judges of superior courts, unless such conduct is based upon a substantive motion.

There may be other references but on short notice I have not been able to go further than that. In the circumstances I still maintain, and I am of the opinion, that the matter should not be discussed at this time.

GRAIN

PRINCE RUPERT, B.C.—INCREASE IN ELEVATOR CAPACITY

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to direct a question to the Minister of Agriculture and ask him whether, during those quiet and ruminative moments which occur when one is on the road, he has come to a favourable conclusion about the grain elevator at Prince Rupert?

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, I still have this under consideration.

TRANSPORT

ST. LAWRENCE SEAWAY AND WELLAND CANAL—TOLL INCREASES

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, arising out of press references in this connection I should like to ask the Minister of Transport whether the government or the Canadian seaway authority have made the extraordinary suggestion that the tolls on the St. Lawrence waterway should be increased? Has this been brought to the attention of the United States, and what has been the reaction thereto?

Hon. J. W. Pickersgill (Minister of Transport): As I am sure the right hon. gentleman knows, since he was in parliament when the St. Lawrence seaway legislation was passed, there is provision for a review of the tolls at stated intervals in order to comply with the agreement with the United States and the legislation passed by this parliament. At the present moment discussions are going on with the United States authorities in connection with this matter and I hope tomorrow to be in a position to make a brief statement in the house regarding them.

Mr. Diefenbaker: I thank the hon. gentleman and I would ask him, at the same time, whether the government is now giving consideration to withdrawing the Welland canal tolls which it imposed shortly after it took office.

Mr. Pickersgill: Perhaps the right hon. gentleman has forgotten that on a certain somewhat notorious occasion the tolls were suddenly taken off the Welland canal and, up to now, they have not been put back.

Some hon. Members: Oh, oh.

Mr. Diefenbaker: No. I ask the hon. gentleman whether it is not a fact that the government is determined to restore them and is just waiting for the opening of the season in that regard.

Mr. Pickersgill: No, sir. That is not quite an accurate statement. I think it will be better if I were to make a statement tomorrow, with all its implications carefully considered, because I do not wish to enter into any contempt of parliament, about which the right hon. gentleman is so sensitive.

CONSTRUCTION OF ADDITIONAL FERRY FOR P.E.I. SERVICE

On the orders of the day:

Hon. J. A. MacLean (Queens): I wish to direct a question to the Minister of Transport and ask him whether construction has yet begun of the additional ferry planned for the C.N.R.-operated service to Prince Edward Island.

Hon. J. W. Pickersgill (Minister of Transport): Without checking with the officials of my department, since I did not have notice of the hon. gentleman's question, I cannot answer it, but I will be glad to make an inquiry.

REQUEST FOR POLICY STATEMENT ON UNECONOMIC BRANCH LINES

On the orders of the day:

Mr. Reynold Rapp (Humboldt-Melfort-Tisdale): Mr. Speaker, I should like to direct a question to the Minister of Transport. Would the minister be prepared to inform the house whether it is the intention of the government to implement the recommendation of the MacPherson royal commission report to abandon uneconomic railway lines or is it the intention of the government instead to set up a railway rationalization fund to subsidize these uneconomic lines?

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, the hon. gentleman with his usual courtesy gave me notice of his question. I may say, as I indicated yesterday in reply to an intervention by the hon. member for Marquette, that it is the intention of the government later in the session to put a notice on the order paper similar to that which was put on the order paper by the President of the Privy Council on

December 6 when he occupied the position I now occupy. That notice will be found in *Votes and Proceedings* and on the order paper after that date. I do not think I should take the time of the house to read it now but it does refer to the establishment of a branch line rationalization authority and a branch line rationalization fund.

The implication is very clear, I think, that there is no thought of any sudden or precipitate rail abandonment, and that what was contemplated by the notice which was given in the house and what is still the proposal of the government is to introduce legislation at this session which we unfortunately did not have the time to deal with at the last session.

Perhaps I might be permitted to say that I have now looked at the clipping which the hon. member for Marquette was kind enough to mention yesterday and which quoted Mr. Ross Thatcher. I read this motion to Mr. Ross Thatcher over the telephone and it seems to me, considering that it was read to him over the telephone, that he gave a very accurate account of it in Saskatchewan.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, in view of the fact that Mr. Thatcher was quoted as having a conversation with the minister over the telephone perhaps the minister might tell us what Mr. Thatcher's reaction was when the hon. gentleman pointed out this clipping and its contents to him, so that the Saskatchewan people will have the full story.

Mr. Pickersgill: When I drew to Mr. Thatcher's attention the motion that my hon. friend, the President of the Privy Council, had put on the order paper at the last session of parliament he was very grateful for the clarification of the policy of the government, and I believe that will be the view of all those who feel that the first purpose of the railways is to serve the communities they serve, and that their balance sheets must be put in second place.

Mr. Diefenbaker: Mr. Speaker, I must say that I congratulate the minister on that declaration of policy.

PENSIONS

CANADA PLAN—CONSTITUTIONALITY OF LEGISLATION

On the orders of the day:

[*Translation*]

Hon. Paul Martineau (Pontiac-Temiscamingue): Mr. Speaker, I should like to direct a question to the Minister of Justice.

In view of the fact that section 94(a) of the B.N.A. Act provides that—

[Mr. Pickersgill.]

—the parliament of Canada may from time to time make laws in relation to old age pensions in Canada, but no law made by the parliament of Canada in relation to old age pensions shall affect the operation of any law present or future of a provincial legislature in relation to old age pensions.

Could the minister say whether he took into consideration the constitutional aspects of Bill C-75 concerning a general old age pension plan, and more particularly section 3, paragraph 1 of the said bill?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, my answer is yes.

Mr. Martineau: Mr. Speaker, I should like to ask the minister a supplementary question. He said yes, so I understand he has considered the bill. Now, could he tell us whether the project meets the constitutional requirements under the B.N.A. Act?

Mr. Favreau: Mr. Speaker, the fact that the bill is introduced by the government, after evidently consulting the Minister of Justice, allows me to answer yes also, to the second question of the hon. member.

[*Text*]

SUGGESTED WITHDRAWAL OF QUEBEC PLAN

On the orders of the day:

Mr. Fred F. Stenson (Peterborough): My question was for the Minister of National Health and Welfare, but since she has just left perhaps the Minister of Transport could deal with the question. I should like to ask him if the government has approached the premier of Quebec with a view to having him withdraw the provincial pension plan in order to make the Canada pension plan truly national?

Hon. J. W. Pickersgill (Minister of Transport): I wonder if this kind of question, dealing with high policy, is the type of question envisaged under the rules set out for questions at this time?

AIRPORTS

MALTON—SUGGESTED IMPROVEMENT IN SEATING ACCOMMODATION

On the orders of the day:

Mr. P. V. Noble (Grey North): I have a question which I should like to direct to the Minister of Transport. Would the minister look into the possibility of having seating made available at Malton airport in the room where people coming home from abroad and others entering the country are often required to wait long periods for baggage and customs formalities? Such provision would be especially appreciated by older people.

Hon. J. W. Pickersgill (Minister of Transport): I will be glad to draw that matter to the attention of the department.

PARLIAMENT HILL

CHANGING OF THE GUARD—INQUIRY AS TO RESUMPTION

On the orders of the day:

Mr. J. A. McBain (Elgin): My question will be addressed to the Minister of National Defence or to the associate minister, according to their jurisdiction. It is based on a radio announcement to the effect that Colonel Grey of Camp Petawawa has not yet been informed that the changing of the guard ceremony will be performed on parliament hill this summer. Will visitors to the national capital again have the opportunity to view this outstanding ceremony during the summer months?

Mr. Speaker: May I respectfully suggest that the order paper is the proper place for that question.

CANADIAN BROADCASTING CORPORATION

REPLACEMENT OF EASTER PLAY BY HOCKEY BROADCAST

On the orders of the day:

Mr. R. W. Prittie (Burnaby-Richmond): I should like to ask the Secretary of State a question about the controversial television program scheduled for this evening—the one at 9.30, not 8.30. Does the hon. gentleman know whether any Canadian churchmen have complained of the fact that the hockey broadcast pre-empted the time originally scheduled on Sunday night for the performance of this Easter play?

Hon. Maurice Lamontagne (Secretary of State): No, Mr. Speaker.

FISHERIES

REQUEST FOR ASSISTANCE FOLLOWING STORM LOSSES

On the orders of the day:

Mr. J. B. Stewart (Antigonish-Guysborough): I have a question for the Minister of Fisheries. Has the minister recently received any request or representations concerning possible assistance to fishermen in eastern Nova Scotia who sustained severe storm damages last December? If so, what has been the response?

Some hon. Members: Order paper.

Inquiries of the Ministry

TRADE

REPORTED U.K. PROPOSALS RESPECTING PREFERENTIAL TARIFFS

On the orders of the day:

Hon. Paul Martineau (Pontiac-Temiscamingue): I have a question for the Acting Prime Minister; I believe he is the Minister of Transport. Will the Acting Prime Minister state whether Canada is now considering abandonning certain commonwealth tariff preferences—

Some hon. Members: Order paper.

Mr. Martineau: This is an important question and I think I should be heard out.

—whether Canada is now considering abandoning certain commonwealth tariff preferences which she now enjoys in relation to certain commonwealth developing countries in particular in order to stimulate trade in certain non-commonwealth developing countries, as implied by the Secretary of State for External Affairs in his address yesterday at the United Nations conference on trade and development?

Hon. J. W. Pickersgill (Minister of Transport): I have some doubt whether I have any title to answer this question, because the Prime Minister is in Ottawa and I am not the acting prime minister. However, I do happen to be the senior minister in the house.

Though, of course, a very important question, this does not appear to me to be the kind of question which is urgent within the rules that apply to questions asked on the orders of the day, because it obviously deals with a most complicated subject on which the government is certainly not going to do anything between today and tomorrow.

I think, moreover, that the Prime Minister's answer to almost exactly the same question yesterday, to the effect that we should await the return of the Secretary of State for External Affairs and allow him to report, was very good advice to the house and I repeat it.

EXTERNAL AFFAIRS

INQUIRY AS TO DISCUSSIONS RESPECTING 12 MILE FISHING ZONE

On the orders of the day:

Mr. T. S. Barnett (Comox-Alberni): I have a question for the Minister of Fisheries. I should like to ask the minister whether the United States and the other countries with which he has been discussing the implementation of a 12 mile fisheries limit have indicated that they will accept with good grace such a declaration by Canada. If that is not the

case will he indicate to us what progress he has been making in the discussions he has been carrying on?

Hon. H. J. Robichaud (Minister of Fisheries): Mr. Speaker, as I have stated previously in the house, it is not proper procedure to follow to give details of negotiations while negotiations are taking place. As the house has already been informed, the initial phase involving negotiations with the United States was completed on February 5. Last week preliminary discussions took place with representatives of the Norwegian government. Next Thursday, April 2—a week from tomorrow—we expect to meet with a delegation from Portugal. On April 7 and 8 negotiations will take place with representatives from the government of France. Arrangements are being made with other countries interested to proceed with negotiations at the earliest possible date.

HOUSING

REQUEST FOR EXTENSION OF WINTER CONSTRUCTION BONUS

On the orders of the day:

Hon. Michael Starr (Ontario): Mr. Speaker, I should like to address a question to the Minister of Labour. In view of the report from Central Mortgage and Housing Corporation that out of 35,000 applications for the $500 bonus for winter construction only 6,000 have qualified so far, and since the date for expiry of the bonus is Tuesday, March 31, is the minister prepared to make an announcement extending the date for a further period of 30 days?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, this question is at present under consideration and I hope to be able to say something about it one way or another tomorrow.

UNITED NATIONS

NUCLEAR DISARMAMENT—CANADIAN REACTION TO UMBRELLA PROPOSAL

On the orders of the day:

Mr. Eric A. Winkler (Grey-Bruce): Mr. Speaker, I have a question for the acting prime minister or the junior-senior minister, or whatever he may be.

Mr. Pickersgill: The member for Bonavista-Twillingate.

Mr. Winkler: It has to do with the situation existing in the United Nations. In view of India's support in principle of the nuclear umbrella disarmament proposal by which nuclear weapons would be limited to the United States and Russia, would the minister give an indication of Canada's stand on this very important matter?

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, I feel I am far too junior a minister to express an opinion on so important a subject without at least prior consultation with the Prime Minister and the Secretary of State for External Affairs. I will draw the matter to the Prime Minister's attention.

SHIPPING

CONSIDERATION OF BRIEF RESPECTING MERCHANT MARINE

On the orders of the day:

Mr. Thomas M. Bell (Saint John-Albert): Mr. Speaker, I was going to direct my question to the Minister of Labour but I have been so long getting the floor that he has left. However, I will direct it to the Minister of Transport, and I hope it will not further inflame his seniority feelings. With respect to the brief presented by the shipyard and marine workers this morning to the cabinet concerning a merchant marine, will the minister give every assurance that the brief will be given immediate attention? When can we expect legislation in regard thereto and will the minister also make a general statement about this important matter?

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, I am very happy to say that a most excellently prepared brief was presented to about one third of the members of the cabinet by the representatives of the shipyard workers and they were given the assurance by me, by the Minister of Labour who was chairman of the meeting, and by the Associate Minister of National Defence, who has a great interest in the subject of shipbuilding, and by the minister of northern affairs that this matter would receive the most careful and the most urgent consideration. Until that consideration has been given it would be premature for me to indicate what its result would be.

Mr. Bell: A supplementary question, Mr. Speaker. I appreciate the statement that the minister has made on this matter of a merchant marine and its long term implications. Will the minister give every assurance that the immediate situation will be dealt with, that is that the lay-offs taking place in the various shipyards will be alleviated by the acceleration of the program in his department and in the Department of National Defence?

Mr. Pickersgill: Mr. Speaker, all hon. members know that layoffs anywhere in the country for any reason are of great concern

to the government, and the Minister of Labour is working night and day to see that other work is available in all these cases.

Mr. Bell: A supplementary question, Mr. Speaker. Will the minister step up the construction program in his own department as promised a short time ago in the house?

Mr. Pickersgill: I will do everything I can.

LOTTERIES

CONSIDERATION AT DOMINION-PROVINCIAL CONFERENCE

On the orders of the day:

[*Translation*]

Mr. Georges Valade (St. Mary): Mr. Speaker, may I ask the Minister of Justice a question?

As his predecessor favoured the establishment of provincial lotteries, would the minister tell us if the matter has been put on the agenda of the federal-provincial conference which will take place next week, as Mr. Lesage did express the wish to discuss the point?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, this question should normally be directed to the right hon. Prime Minister, and I shall be happy to communicate it to him.

Mr. Valade: Mr. Speaker, on a point of order. My question was directed to the Minister of Justice, as he is responsible for administrating the Criminal Code. My question was this:

Does the Minister of Justice intend to discuss the project with the provincial authorities of Quebec during the next federal-provincial conference?

Mr. Favreau: Mr. Speaker, until the federal-provincial conference starts, every question which might, or might not, be put on the agenda is obviously a matter of government policy.

Mr. Valade: Will it be put on the agenda?

[*Later:*]

[*Text*]

Mr. Valade: I rise on a point of order. I should like to refer Your Honour to citation 178, page 152 of Beauchesne's fourth edition:

Questions addressed to ministers should relate to the public affairs with which they are officially connected, to proceedings pending in parliament, or to any matter of administration for which the minister is responsible. Within these lines an explanation can be sought regarding the intentions of the government, but not an expression of opinion upon matters of policy.

It is my duty, sir, to ask this question of the minister because the federal-provincial conference will be held next week and the people of Quebec are interested in this question. Is it the intention of the Minister of Justice to introduce at that conference the question of provincial lotteries, which has been dominant for many years and which was promised by the Liberal party at the last election?

Mr. Favreau: I must answer again that it is not within the ambit of responsibility of the Minister of Justice to put questions to the federal-provincial conference. I would not think it in order therefore for me to answer that question.

Mr. Valade: I do not accept this answer.

SPORTS

REQUEST FOR GRANT TO BASKETBALL ASSOCIATION

On the orders of the day:

Mr. Charles J. M. Willoughy (Kamloops): I had a question also for the Minister of National Health and Welfare and I am sorry she has left the chamber. Perhaps the Minister of Transport will see that this question is passed on to her. It is an urgent question, sir.

Has the very urgent and respectful request of the Canadian basketball association for $15,000 in financial aid, addressed to the minister some months ago and which I understand has gone without any acknowledgement, been passed on to the national fitness council? This is an urgent matter because the money is needed for financing the four national basketball championships.

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, I will pass the ball on to the minister.

NATIONAL DEFENCE

WHITE PAPER—REFERENCE TO NATO REQUIREMENTS

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): In view of the answer given by the Minister of Transport a few minutes ago I want to assert my right as a member of this house to ask a question on high policy. Did the Minister of National Defence, before he published the white paper and distributed it to the press, receive from NATO the summary review of its policy in respect of the demands of NATO for conventional and nuclear arms?

Hon. Paul Hellyer (Minister of National Defence): I am not just sure, Mr. Speaker, because of the vagueness of the question, what my hon. friend has in mind. Does he mean the summary which was asked for last

May at the ministerial meeting? It has not been received as yet. Is that the purport of the question?

Mr. Churchill: That is exactly it. The minister, I thought, was going to incorporate in his white paper his views with regard to NATO's review of its policies.

Mr. Hellyer: I was certainly hopeful that would be the case, but that report is not yet available and we have had to go ahead with our white paper. We have tried to the maximum extent practicable to accommodate the policies set out in the white paper to the future requirements of NATO.

LABOUR CONDITIONS

INQUIRY AS TO STEPS TO DEAL WITH UNEMPLOYMENT

On the orders of the day:

Hon. Theogene Ricard (St. Hyacinthe-Bagot): I have a question for the Minister of Labour. According to a newscast today at noon, as of the end of January there were over 500,000 Canadians drawing unemployment insurance benefits. I should like to ask the minister what he has in mind or what he plans to do to correct this situation.

Hon. A. J. MacEachen (Minister of Labour): I appreciate the hon. gentleman bringing this matter to my attention, and in returning the favour I would remind him that the number of claimants this year, in comparison with last year, has dropped by approximately 115,000.

Mr. Bell: How about the maritimes?

Mr. Ricard: I asked the minister what he had in mind to procure some work for these 500,000 Canadians who want to work but who cannot work because the minister is not doing his job?

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I wish to direct a supplementary question to the Minister of Labour.

Can the minister tell us whether his department compiles also statistics on the number of unemployed not receiving unemployment insurance benefits? If so, can he tell us what the number is?

[*Text*]

Mr. Speaker: I am sure the minister will take this as notice.

[*Translation*]

Mr. Gregoire: Mr. Speaker, I rise on a point of order. If this was the first time the question was put to the Minister of Labour, it would be quite proper to give him notice. But since I personally asked the question one month ago, 15 days ago and at least three times since the beginning of the session, I think the minister has had notice of the question and should perhaps answer it.

[*Text*]

Mr. Speaker: The hon. member for Rosthern.

Mr. Gregoire: No answer?

Mr. E. Nasserden (Rosthern): Mr. Speaker, I have a supplementary question for the Minister of Labour. In view of the fact that there still remain half a million people unemployed has the minister, the department or the government any new policy over and above what has already been announced to take care of the situation that faces these unemployed people?

Mr. MacEachen: The first point to be made in reply to that question is that the estimated number of unemployed is considerably below the figure mentioned by my hon. friend. The second point is that this February will have the best employment situation that we have had since the last Liberal year in 1957. We intend to continue the policies which have had such a substantial impact on the employment prospects in this country.

Mr. Grafftey: As a supplementary question—

Mr. Speaker: Order. This is developing into a debate, and I do not think the matter is pressing.

URANIUM

PROGRESS OF DISCUSSIONS RESPECTING SALE TO FRANCE

On the orders of the day:

Mr. R. A. Webb (Hastings-Frontenac): Mr. Speaker, I have a question for the Minister of Trade and Commerce but in his absence I would like to direct it to the Minister of Industry. What progress is being made in the talks with the government of France in regard to their purchase of Canadian uranium?

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, this question was asked some time ago and it was pointed out, I think by the Prime Minister, that the sale of uranium to France would be subject to safeguards. To the present moment there has been no agreement with France on the application of safeguards.

SUPPLY

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

CITIZENSHIP AND IMMIGRATION

Immigration branch—

20e. Administration of the Immigration Act, $133,800.

The Deputy Chairman: Shall this item carry?

[*Translation*]

Mr. Vincent: Mr. Chairman, I should like to say a few words to the Minister of Citizenship and Immigration (Mr. Tremblay) on a matter which really deserves his attention.

We know that a steel complex is slated to be built in the Nicolet region, that is in the parish of Becancour, where an Indian reserve is located. A newspaperman of Three Rivers mentioned in the local paper *Le Nouvelliste* that it was one of the oldest Indian reserves in Canada.

During the next few minutes, I would like to read for the benefit of the Minister of Citizenship and Immigration a few lines from that article written by Benoit Roy, a newspaperman of Three Rivers. It says:

> What will the federal authorities do concerning the development Becancour will experience once the steel mill is established? There was some talk for a while of selling the reserve and moving the families elsewhere. Will that project come up again or will other Indians be brought back on the Becancour reserve?

That is a question the Indians of that reserve are now asking themselves.

The article goes on:

> The site of the present reserve is said to be quite rich from an archeological standpoint. According to one of its occupants, arrow-heads, hatchet blades, lead bullets, etc., can be found quite near the surface.
>
> We have even been assured that, very close to the cross and buried some six feet deep, there are three cannons dating back to the French regime, one made of cast iron and two of copper, mounted on wheels. Those cannons would have been used during the wars between the Indian tribes, and especially by the French settlers who had to protect many times to destroy that French settlement in themselves against raids by the Iroquois who tried those heroic times of French civilization.

I am asking the minister to have his department make an investigation and, if need be, recommend to the historic sites and monuments board of Canada to study the particular aspect of that Indian reserve.

Should that future steel complex ever need that land, all those factors should be taken in consideration to prevent the disappearance of an historic site, as called by that newspaperman of Three Rivers, which is one of the most ancient Indian reserves in Canada and which should be allowed to preserve its historic character.

[*Text*]

Mr. Fairweather: Mr. Chairman, I have just two questions for the minister. I think everybody is pleased the minister is going to Hong Kong in the near future, and I would like to ask when he is going? Further, during his stay there will he try to speed up the almost hopeless delay in procedure that applicants have to go through in order to get to this country? I understand some applications are not processed until 12 or 14 months after they have been received. This is an unconscionable thing and I hope the minister will try to deal with this problem when he is in Hong Kong.

[*Translation*]

Mr. Tremblay: Mr. Chairman, I am leaving for Hong Kong tomorrow morning, and the purpose of my trip is to check on the administrative problems of immigration services. When I come back, I will be glad to report on my mission.

[*Text*]

Mr. Grafftey: Mr. Chairman, at this stage of our discussion I would like to touch very briefly on a few matters I raised during the debate on the speech from the throne. I should also like to underline some personal opinions. I note with a great deal of pleasure, after reading a recent speech made by the minister, that he agrees with me that one of the basic problems today in this nation of ours is that we really need more people. I know that some countries—not necessarily in the western world—have a real overpopulation problem. I personally think that at this stage of our national development in Canada one of the problems we are faced with, relating to what I call a viable economy, is the fact that we are underpopulated.

This being the situation—and I feel that the minister alluded, very sensibly, to this fact in a recent speech—I then ask some basic questions. What is the government's immigration policy? Are they simply going to depend on what I call the natural increase of population from the birth rate to solve this problem that I have mentioned; or are they actually going to carry out a positive immigration policy? I ask another question. Why, in the last few months, has a country like Australia outstripped Canada in relation to new citizens landing on her soil? What are we doing in terms of an assisted passage program to encourage people to come to Canada? I ask the minister another basic question. Does he feel that at this stage of our economic development a real, positive immigration policy would conflict with the employment position of Canadians? I ask another basic question: Has the minister's department fixed a target for the number of immigrants they want to come to Canada within the next 12 months, or any period? Is there a target established, so to speak?

I know these are very basic questions that I am asking, compared with some of the detailed questions that are often asked in relation to the minister's portfolio; but it is a subject that interests me very, very much. As I said before, I think a basic problem

today in Canada relates to the fact that we are an underpopulated country, and I think the minister has an extremely interesting challenge before him in this regard. I hope he can answer, in general outline, some of the questions that I have put to him.

[*Translation*]

Mr. Tremblay: Mr. Chairman, while the regular estimates of the Department of Citizenship and Immigration come before the house for discussion, I shall have an opportunity to make an over-all statement on the immigration policy to be carried out by the department.

However, to reply more specifically to the question asked by the hon. member for Brome-Missisquoi (Mr. Grafftey), I may say that in accordance with the announcement I made, the immigration policy of the department will be changed.

Nevertheless, I might state briefly what happened in that field. In the past, we had a considerable number of applications from European immigrants wishing to come to Canada, and that raised many problems. I would call that the post-war period which was one of passivity, where we only had to make a selection among the immigrants asking us to come here. As a matter of fact, our problems, at that time, were different from the ones facing us now. We have reached the point where the needs of the country, as regards immigration, are so acute that our immigration policy must be revised and made more positive. We must also endeavour to bring here better qualified immigrants. We must also improve our facilities abroad, because it would be no use hiding the fact that these last few years, they have been in very poor shape. I feel that if we want qualified immigrants, we must have not only a well representative personnel but also well located facilities.

The hon. member for Brome-Missisquoi said a while ago that Australia had been very successful in its immigration policy, because of the fact that it insisted very much on facilities set up in various countries, especially in Europe.

So I think, within a few months, we will have developed a new policy that we will announce to the house and to the whole country. I do not believe that this can come into conflict, as previously stated, with the other objectives of the government, especially full employment in this country. As I have said many times, it is not a large number of immigrants that we need but rather people with initiative, who are likely to create new jobs, so that this may increase employment instead of decreasing it.

This means that if an expert comes here to Canada and fills a vacant position, three or four persons will be employed who, otherwise, would be jobless, because of the shortage of these experts on the labour market.

We have no specific objective as to the number of immigrants that we want to bring to this country, but we want beforehand to improve services and conditions to receive them. As for mentioning a number, whether there are 150,000, 200,000 or 250,000, I believe that our country is waiting for a large number of them to make progress.

[*Text*]

Mr. Howard: Mr. Chairman, I wonder whether, following upon what the minister has just said, I might pose a question or two to him. I refer to what I understand are two, or perhaps three, agreements between Canada and other countries to restrict the number of people who may emigrate to Canada from those countries; or, in effect, to place a quota or numerical ceiling upon the number of people who may come to Canada from those other countries. I have been given to understand that there is such an agreement between Canada and the government of India. In fact, I posed a written question without, while so doing, realizing that today we might have an opportunity to debate it in the house. I understand that as a part of this agreement between Canada and India there is a limit of 300 people in any one calendar year who may come to Canada and this number is divided into 150 being relatives of people already here and 150 being non-sponsored.

I wonder whether the minister could tell us if this is so, and whether there are agreements of that sort which restrict, or place a ceiling or quota, on the number of emigrants that may also come from Pakistan or Ceylon, because I understand these two countries are also involved. In addition, will the minister tell us what steps will be taken, if any, to approach the governments of these other countries to see whether we can agree to cancel such agreements containing these restrictive covenants. I ask this because I am sure, especially in view of what the minister said in reply to the comments of the hon. member for Brome-Missisquoi and in view of the fact that it is desirous, as the minister said, to attract as many people as possible to Canada in order to put us in a strong and virile position economically, that these agreements which are restrictive in nature are contrary to that sort of policy. I would certainly like to hear the government's views with respect to these agreements and what steps will be taken to eliminate them.

[*Translation*]

Mr. Tremblay: Mr. Chairman, the suggestion made by the hon. member for Skeena

(Mr. Howard) to revise the agreements is an excellent one, because it so happens that there is, in the case of India, an agreement between our government and that of India.

As for the possibility of bringing in immigrants from a country such as India, over an annual period, I am of the opinion that existing agreements with other countries ought to be revised, for it is part of our over-all policy to examine the possibility of allowing immigration from those countries to be increased. That applies not only to European countries, but also to those of the Middle East, Asia and India.

[*Text*]

Mr. Howard: Mr. Chairman, I should like to thank the minister first of all for his kind remarks on this suggestion. Second, I should like to ask him whether to date formal representations have been made to these other countries, or whether this is something this minister anticipates will occur in the future?

Mr. Tremblay: Mr. Chairman, I do not think it is the policy of the government to try and increase the number of agreements which we have with these countries, although we may revise some of the agreements which we do have. In cases where we do have agreements we may try to increase the number of immigrants we receive from those countries in addition to the quota which has been established; but it is not the regular policy of the government to reach agreements with each country and to fix a quota. We prefer to have an open policy in those countries where this is possible.

Mr. Howard: Perhaps I did not phrase the question correctly because the answer the minister has given bears no relationship to what I asked. I did not ask the minister whether it was his policy to approach other countries to establish quotas or anything of that sort. I asked the minister whether his government has already been in touch with, for argument's sake, the government of India, to deal specifically with that country, in order to have the present agreement which restricts the number of immigrants from that country to Canada rescinded. Has that already happened?

Mr. Tremblay: No, Mr. Chairman, I am not aware of such contact with that government.

Mr. Howard: Then may I ask whether this will be done.

Mr. Tremblay: My first answer was that I will be very glad to revise any agreement we have with foreign countries.

[*Translation*]

Mr. Ricard: Mr. Chairman, since in the past, I have put a few questions to the minister but without ever getting an answer, I hope to have more luck today.

If I remember rightly, I think that the authorities in my province stated at one time that even a provincial government could deal with immigration problems, that is to go abroad and bring immigrants to Quebec. Could the minister tell us whether agreements on that matter have been concluded between provincial and federal authorities? Could the minister explain what is the degree of authority or jurisdiction of the two governments involved in this matter?

If a provincial government promotes a certain type of immigration, will it be in co-operation with the federal government, or will both governments compete with each other?

Mr. Tremblay: Mr. Chairman, I think that the rights of the federal government in the field of immigration are very well defined. The co-operation we seek in this matter concerns the classification of immigrants.

I do not believe the provinces have the right, the authority nor the administrative machinery required to compete with federal immigration offices in the various countries of the world. On the other hand, we would be most pleased if the provinces would advertise abroad in that connection, and set up employment offices as soon as possible, in order to help us in getting those people settled here, in every province of the country.

If all the Canadian provinces were ready to do this twofold effort and to advertise more abroad in order to attract immigrants, and if they would help us in getting immigrants settled in this country, I feel that our immigration policy would be much more interesting.

[*Text*]

Mr. Rapp: Mr. Chairman, I should like to ask the minister a question regarding immigrants from behind the iron curtain. Are the policies of his department the same for immigrants from other countries I should also like to know what is the government's policy towards people from behind the iron curtain who emigrate without the permission of their country or origin—in other words, people who escape. I understand escapes have been going on for many years. Are there different policies or regulations which apply to these people, or are the regulations the same, even though they may not have a passport or any recommendation from their church? I have received many letters from people in my constituency who have been confronted with such a problem; they have friends or relatives who cannot come to Canada but must remain in Europe. I just want to know whether different

rules and regulations apply to this class of person.

[*Translation*]

Mr. Tremblay: Mr. Chairman, in many countries behind the iron curtain, we do not have the required facilities to have the would-be immigrants undergo the necessary examinations.

I hope to be able to get in touch, in the near future, with the authorities in countries behind the iron curtain so as to find out to what extent such examinations could be made easy for those relatives of Canadians who live in Poland, in Czechoslovakia, etc. and who wish to immigrate to this country.

As regards the second point, that is people born in countries behind the iron curtain and living now in other European countries, and who wish to settle in Canada, regulations specify, as hon. members know, that these people must live two years in the same country to be entitled to undergo examinations that would permit them to come to Canada.

So far, latitude was allowed the minister to permit the admission of certain immigrants who were undergoing an examination in a Canadian office here. I can assure you that up to now, I have been very very broad-minded in carrying out the rules, in view of the discretion that I was allowed, and chiefly on account of the fact that in some instances it was impossible for the immigrants to go back to their country and therefore, I had to have them undergo the examination in this country.

[*Text*]

Mr. Bigg: There are a few points I want to bring up under these estimates concerning our own native people of Canada. It has been suggested by some that perhaps these native people require their own member of parliament, something like they had in England for the universities, but because they have been neglected for many years the Indians have lost faith in the ability of our parliamentary system to look after their rights. As I say, they have suggested at times that they do require direct representation here in Ottawa. I am sure that the appointment of Mr. Gladstone to the Senate did a great deal for the morale of the Indian people across Canada, who now feel they have some voice in their own affairs.

They are looking ahead, now. They have some hope. But it is certainly not enough, and I do not think this is the real answer. I do think it is the duty of members having Indian reserves in their constituencies—and I have some seven Indian reserves in my district—to bring these matters to the attention of parliament. First, and most important, we must make it clear, once and for all, that we

are playing ball with these people, that they are not being neglected. One of the most vital steps in this connection is the setting up as soon as possible of the Indian claims commission, and giving the Indians a direct connection with it and with the courts and other legal machinery in Canada, so that not only present claims but breaches of the treaty in the past may be looked into. I do not intend to discuss this matter at any length because it has already been brought to the attention of the committee. Anyway, it is a field in which the Indians are looking for some action.

I think the Indian people are essentially no different from any other people. They feel they are being treated as second-class citizens of some kind. Speaking from my own experience I can say they have been treated by the government as if they were children. They are not, in fact, children. Where the Indians have kept their self-respect, and been allowed to keep it, they have shown that in their own way they are very effective Canadian citizens indeed. I would point to the Caughnawaga Indians along the St. Lawrence river. These men are recognized in the United States as being the finest steel workers in America. In fact, they get better wages than the white men employed in this work, because of their greater skill.

In the western reserves, the Bloods and the Peigans in southern Alberta are well off financially. They have never been taken from their original habitat; they live on roughly the same ground as did their ancestors and they have turned successfully to the way of life nearest to that of their ancestors in the days of the buffalo. They are trying to go into ranching. Only recently a delegation came to Ottawa and offered to capitalize their ranches by purchasing breeding stock on a 50-50 basis. They came to the federal government with an offer to put up 50 per cent of the capital cost. Let us not turn this down. Here is a progressive tribe whose members are trying to do something for themselves. They are showing that they have not lost their old grit. Before the white men came they were a fine, upstanding race of people with a keen sense of democracy and a well thought out and stable religious life, all of which has been upset by our well-meaning interference. I suggest we should consult the Indian people and find out how they want to live; and when they come forward with such a manly proposition as supplying 50 per cent of the capital they require, I think we should almost write a blank cheque. For every dollar they put up we have got to meet them.

If they succeed, as they are succeeding in southern Alberta, I should like to ask your co-operation, Mr. Chairman, and the co-operation of this committee in seeing that the

less favoured tribes in my district who may want to do something along these lines should receive every encouragement. I do not expect the department to do all the work. I do not expect the Indians to do all the work. I intend to make up a party of Indians from my district and take them this summer to visit their cousins on the Blood and Peigan reserves to see how this is working out—to see whether they cannot devote as much energy and courage to building up a venture of this sort. I know it will work. I know these people. I have worked with them, and they are no different, when given a chance, from any other Canadians. It is a question of morale. It is also a question of common sense. We must try to give these people jobs in this country which are as close to their instincts and to their culture as we can. We hear a great deal about biculturalism. Both the English and the French in Canada are proud of their cultures, and there is no doubt at all that the red man is proud of his. He will fit into the Canadian pattern of culture as far as he himself wants to fit in. At one time the white people of this country hoped that the natives would die out. They are not dying out; they are multiplying quite rapidly. This will present an increasing challenge if we do not take steps to meet it and give these people the opportunities which I think they should have.

As a lesser suggestion I think we should improve their morale by paying them their treaty money in cash, as they have requested on many occasions. I suggest we pay them in special money. I suggest we should provide every year special silver dollars honouring the various tribes in the order in which they signed the treaty, and that we pay these senior citizens of ours in Canada in silver money struck especially to honour their people. The details could easily be worked out and I shall not take up the time of the committee in pursuing this matter further, now. But the feeling of the Indians, when they signed this treaty originally, was that they were to be paid in cash in the Queen's money and I believe we could combine the keeping of this part of the treaty with a gesture in honour of those fine Indian tribes who signed it and who have kept their side of the bargain.

Now I wish to turn for a few moments to the subject of old people's homes. In Alberta, we have old folks homes, but there are none for Indians and I suggest we might work out some scheme, in co-operation with the provinces, in order that our aged Indians might also have the benefit of old folks homes. Perhaps they would not require exactly the same type of architecture as we ourselves find suitable. Perhaps provision should be made for a different type of communal living. But aged Indians who are in receipt of old age pensions might well make the same deal for living in these old folks homes as do our own senior citizens, and they could be looked after in these homes in the same way as we look after the white people. The Indian people have always looked after the aged of their own race. They honour their fathers and their mothers in the same way as we do. If hon. members of this committee came to my district and saw the slums in which the senior citizens of our senior people are living, they would be horrified. I could take them around to mud floored shacks and primitive log dwellings in which these older people are obliged to spend the declining years of their lives in poverty, living under conditions which it is hard to imagine until they have actually been witnessed.

I think we need to do more, too, to train the younger people to take advantage of the mechanical age in which we live. These Indian people are clever mechanics. I understand that if an Eskimo is given an outboard motor he scarcely requires any instruction in its working; he will pull it apart, see how it works and put it together again; he learns the mechanics of an outboard motor much faster indeed than does a white man, because it is essential to his way of life—he has to keep his canoe running so as to carry on his trapping. I am told by my former mates in the police that an Eskimo can beat our boys every time when it comes to mechanical things. So let us see they get the training they require. It is not good enough simply to set up schools where ordinary subjects are taught. We have to provide for the development of this natural mechanical aptitude and teach subjects which have practical application to the kind of life the students want to lead. They are still pioneers. They have the right to live in a pioneer country. I am sure that the undertaking to educate the Indians did not mean teaching them only reading, writing and arithmetic. We must enable them to receive the same training as we give to our own young people, to prepare them for the mechanical age in which we live.

Now I wish to change the subject radically and speak for a few moments about immigration.

The Deputy Chairman: Order. I believe there is an understanding that the committee should proceed at this time to the consideration of interim supply. Is it agreed that vote 20e stand at this time and that we proceed to the discussion of interim supply?

Some hon. Members: Agreed.

Item 20e stands.

INTERIM SUPPLY

Mr. Gordon moved:

Resolved, that a sum not exceeding $684,120,-260.18, being the aggregate of:

(a) Two-twelfths of the total of the items set forth in the main estimates for the fiscal year ending 31st March, 1965 laid before the House of Commons at the present session of parliament, $658,598,418.50;

(b) an additional five-twelfths of the amount of external affairs item 20 of the said main estimates, $402,291.67;

(c) an additional four-twelfths of the amount of atomic energy item 5 of the said main estimates, $416,666.67;

(d) an additional three-twelfths of the amount of national research council item 10 of the said main estimates, $5,838,000.00;

(e) an additional two-twelfths of the amount of fisheries item 15, legislation item 20, mines and technical surveys item 25 and transport item 95, of the said main estimates, $6,661,116.67;

(f) an additional one-twelfth of the amount of finance item 25, labour item 30, legislation item 5, mines and technical surveys items 10, 15, 45, 50 and 60, national revenue item 5, northern affairs and national resources item 1, trade and commerce item 15, of the said main estimates, $12,-203,766.67, be granted to Her Majesty on account of the fiscal year ending 31st March, 1965.

Mr. Nowlan: I presume the minister is going to make the usual statement first.

Mr. Gordon: Mr. Chairman, the purpose of the bill to be founded on the resolution is to finance the operations of the government for the periods noted and the usual authority will be asked to borrow up to $1 billion to provide for authorized payments out of the consolidated revenue fund through the issue of treasury bills, Canada savings bonds, marketable securities, etc. The proportions requested in the bill when it is presented are intended to provide for all necessary requirements of the public service up to May 31, 1964.

In no instance is the total amount of an item being released by this bill. The form of the bill is the usual one for interim supply bills and the passing of the bill will not prejudice the rights and privileges of members to criticize any item in the estimates when it comes up for consideration in committee of supply. The usual undertaking is hereby given that such rights and privileges will be respected and will not be curtailed or restricted in any way as a result of the passing of this measure.

Mr. Rheaume: Mr. Chairman, I believe it is a matter of great importance that this opportunity be taken to discuss fully in the house a serious question that has been simmering for many months and is now threatening to explode as the result of certain happenings in the last month or so. I am speaking now of the proposed transfer of the jurisdiction over and administration of the affairs of the Eskimo people of northern Quebec from the federal government to the government of the province of Quebec. I rise to make some comments and to offer some suggestions and I do so in an objective, sincere and non-partisan manner because this issue is at present very badly confused.

There is growing alarm among southern Canadians and I can assure the house that the Eskimo people of the north are becoming frightened and confused. I think it is important that someone who knows the Eskimo people clarify the record at this stage before the issue becomes clouded by religious and political emotionalism.

This matter has far reaching implications, containing as it does problems of federal-provincial relationships, constitutional questions and the rights of parliament itself but, most important, the fundamental right of a large group of Eskimo Canadian citizens to be, if you will, masters in their own igloos. I suggest that the way in which we approach this problem and ultimately resolve it, as we will, will be under close scrutiny in all parts of Canada and in many other nations of the world because Canada at last will have had to come face to face with a matter that has all the elements of the struggle of emerging people and groups for self-determination.

I regret very much that the Prime Minister is ill and absent from the house today and also that the Minister of Justice and the Minister of Northern Affairs and National Resources are not here this afternoon because they are the ones who have been carrying on the negotiations respecting this matter with the government of the province of Quebec.

I do not intend to rehash the rather ragged events of some of the question periods on this very issue, except to say that at this point the House of Commons has been told certain things. We know for certain, and we have the Prime Minister's word for it, that the Eskimos are to be consulted before an agreement is signed. Ostensibly that consultation will be carried out through a federal-provincial commission. We know that for sure.

We have also been assured by the Prime Minister that any agreement the federal government signs will safeguard the language and the religion of the Eskimo people of new Quebec. But there are some things we do not know. We have not been told about them in the house and the people of Canada must know before we can proceed any further. We do not know yet whether parliament will have an opportunity to approve or reject any plan that is arrived at. We do not know whether the Eskimo people of new Quebec will have the opportunity to be consulted about the terms of the agreement and to be

represented at any such negotiations by independent counsel. We do not know for sure whether the Eskimo people of northern Quebec will be allowed to have a referendum. We do not know for sure whether similar negotiations will be conducted with regard to Eskimo people who live in other provinces of Canada.

Let me advise the house, in case hon. members do not know, that there are other provinces of Canada that have Eskimo people living in them. The obvious example is the province of Manitoba. There is a substantial Eskimo settlement at Churchill. We do not know what the implications of this move are for the administration of Indian affairs throughout Canada, not only in terms of every province of Canada but in those very communities in the north where Eskimo, Indian and white people have been, until now at least, living in harmony. I give as examples the communities of Great Whale River in new Quebec, Fort Churchill in Manitoba and Inuvik in the Northwest Territories.

I have said there is growing alarm in southern Canada. One need only read the various newspaper editorials that have appeared on this very matter in recent weeks. I have in my hand a press report of a speech given by the Right Rev. E. S. Reed, Bishop of Ottawa. This is from the Ottawa *Citizen* for March 12, and I quote from part of the article because Bishop Reed is very concerned over what is happening to the Eskimo people:

> Bishop Reed deprecated the fact that, apparently, the Quebec Eskimos jurisdictional problem has become "a highly charged political issue."
>
> Bishop Reed posed these questions in his speech:
>
> Will the good work begun, however, belatedly, by the northern affairs department, be continued and improved if jurisdiction is given to the Quebec government?
>
> Will the missionaries, the trusted friends of the Eskimos, with no political axe to grind, be permitted to assist the Eskimos when their wishes are being consulted on the jurisdictional problem?

I have said, Mr. Chairman, that the Eskimo people are confused. I say this because in recent weeks I have had an opportunity of meeting and talking with the Eskimo people from northern Quebec. I can assure you, as a result of these person to person talks, that the Eskimo people are extremely alarmed about what is occurring between the federal and provincial governments. One of the Eskimo people from Fort Chimo, a man who is completely reliable, assured me that these frightened people will probably pack up and move away from Quebec mainland if this thing proceeds any further without their being allowed to participate in the discussion.

I say that there has been alarm in southern Canada as a result of some of the statements we have seen in the press, statements Mr. Chairman that are unbelievable in their colonial attitude toward the Eskimo people. I have in my hand a news report from the Montreal *Gazette* dated March 12. I should like to quote from the lead article entitled "Angry debate over Eskimos". I quote:

> Resources minister Rene Levesque, who has pressed Ottawa hard to transfer administrative authority for the Eskimos to Quebec has flatly rejected any idea of a referendum on the grounds that the Eskimos have not reached the cultural stage where they are capable of rendering an opinion, and that a referendum would be accordingly "an abuse of the democratic process".

This statement was made by the resources minister of the province of Quebec. I want categorically to reject that statement; and that type of statement is not limited by any means to Mr. Levesque. I want to reject it for its unfathomable ignorance of the capacity and potentials of the Eskimo people in the Canadian north as I know them. I reject this kind of statement, further, for what it is. It is the worst type of hypocrisy. The Eskimos of northern Quebec have the provincial and federal franchise and have had for some time now. The hon. member for Saguenay receives a substantial vote from these Eskimo people of new Quebec in federal elections, and yet we have a Quebec minister saying that it would be an abuse of the democratic process to allow these Eskimo people from the Canadian north to have a say in their own affairs. This kind of statement, Mr. Chairman, is dangerously irresponsible. Furthermore, it is dangerous in the implication it has for other minority and racial groups in Quebec. I, for one, am not prepared to accept the Levesque—

Mr. Gregoire: Why don't you give them the right to vote, then?

Mr. Dinsdale: They have; we gave it to them.

Mr. Rheaume: I would suggest to the hon. member for Lapointe that he refer to the Nielsen bill of 1962, and he can find the same old arguments about people not being allowed to vote. I would suggest to Mr. Levesque, and all others who tend to think like him, that if they want to find people who are not ready to vote they do not have to go that far north in the province of Quebec.

At any rate, this is my attitude. This is the kind of statement we get from one of the negotiating ministers and it calls into question the whole matter of whether or not people with ideas such as these should be entrusted with the affairs of the Eskimo people. I will refer to this briefly in a moment, but for the time being I want to discuss the matter of provincial responsibility for Eskimo and Indian affairs. Let this be understood clearly. The objective that was clearly enunciated by the minister of northern affairs is one which

we, as a party, support. Let that be understood. There has never been any doubt about where the Conservative party stood on this matter. The objective of having provincial governments assume responsibility for Eskimo and Indian affairs is one that we support. In fact, it is the only way, we believe, you can build a nation. However, the method by which this is achieved is something that causes us alarm.

I suggest to the Minister of Justice, who I see has resumed his seat, that whatever methods are followed in this transfer they must guarantee that the rights of parliament will be respected and that the rights of the Eskimo people to be consulted will be safeguarded. A few days ago in this house the Prime Minister said that no one needed to tell him about his responsibilties. With due respect and deference to our Prime Minister, I suggest there are many things he does need to be told about the Eskimo people. Furthermore, I suggest to him that I am quite competent in this field to tell him a few things that he might not know about the Eskimo people.

I have said that there are constitutional difficulties involved here because a number of these matters are assigned by the British North America Act to federal and provincial jurisdictions. I do not intend to refer to these in any detail. There is a constitution problem involved as a result of the Quebec Boundaries Extension Act of 1912 which says in the pertinent section, section 2 paragraph (e):

> That the trusteeship of the Indians in the said territory, and the management of any lands now or hereafter reserved for their use, shall remain in the government of Canada subject to the control of parliament.

Certainly the supreme court decision of 1939, which is the basis upon which these negotiations are being conducted between the Minister of Justice and the Quebec government, was to the effect that for the purposes of the British North America Act Eskimos are considered to be Indians. This is surely the most serious part of the current negotiations. The minister, as he indicated in the house, proposes to transfer Eskimo affairs in Quebec from the federal government, and is he going to transfer Indian affairs as well? If he does not, he will have been guilty of building a wall between two racial groups in northern Quebec, particularly those communities where Indians and Eskimos are living at the present moment side by side in harmony.

The Prime Minister has built an image of himself. I believe this image to be an honest one of understanding the need to unite the various racial groups in Canada. He has said he wishes to bind the wounds between the

races. I believe in this, but I suggest that the present agreement which has been reached will do precisely the opposite.

I also suggest that the problem of the jurisdiction over these Eskimo people is essentially the problem of confederation. Heaven knows, the Prime Minister took the time in his fireside talk to the nation to tell us confederation itself was at a crossroads.

I have listened at great length during the question period when this matter was discussed. To date I have not participated in the debate nor have I asked questions about the Eskimo people in northern Quebec. However I do feel the time has come for me to put on the record some of what I know about the Eskimo people and their feelings. The Eskimo people in the Canadian north know me, and know me well. They trust me because I have travelled among them, I have worked among them and I have lived with them. My family has been in the Northwest Territories since the early 1900's. My own children were born in the Northwest Territories, and I know the Eskimo people for all of their qualities. For this reason I want to put on the record some arguments to contradict those things that have been said to date about them.

I recall very well being a resident of the north when the Nielsen bill to extend the federal franchise came before the house. I know the results of that bill were felt locally. They were felt nationally and indeed internationally. At this stage I want to put on the record a quotation that should be of interest to all hon. members, a quotation from a man who conducted the enumeration along the distant early warning line. It is interesting, because it tells about the effect of the vote among American people serving in the Canadian north. I quote:

> It was surprising the amount of interest shown on the D.E.W. line in respect of the election. Prior to this they used to do a lot of moaning and criticizing of the government, with the usual remark of "taxation without representation." You never hear the remarks or criticism any more, as just the fact that they can vote in a federal election has resulted in building up the prestige of this wonderful Canada of ours, tremendously in their eyes...Believe that the steps taken to bring the vote to the D.E.W. line stations and adjacent villages brought home to our American friends up here the fact that not only is Canada a democracy but that the government is prepared to go to all kinds of trouble and expense to see that Canadian citizens of high and low status, are given an opportunity to vote and elect whatever government representatives that they so desire.

That was a quotation from a letter sent to Mr. Castonguay, and I feel it should be on the record because it shows this measure did have international repercussions.

Some people may ask, do the Eskimo people exercise the franchise they won after so

many years? One need only look at the statistics. The average turn-out at the polls among Eskimo people has been around 79 per cent to 80 per cent of the eligible voters. I personally know of instances where Eskimo families travelled three days and three nights in weather down to 45 degrees below zero, in order to get to the nearest polling station to cast their ballots. If this is not a group of people prepared to assume the responsibility to vote and who are willing and able to be consulted, then I know of no other group like them in Canada.

I suggest to you, Mr. Chairman, to the Minister of Justice and to the minister of northern affairs that these people would be hurt and insulted if we allowed this agreement to take place without their participation.

In conclusion I want to quote a paragraph from some testimony which was given before the standing committee on mines, forests and waters last December by Mr. Robert Williamson. Mr. Williamson is the foremost Eskimo linguist in Canada, and is known to all the Eskimo people throughout the Canadian north as Bob. He speaks all their dialects. He too knows and understands their problems and this is what he said, referring to the Eskimo people:

> This is a people who in a very short historical period conquered and successfully lived in the most difficult and merciless part of the world. They covered an area 4,000 miles wide from Alaska to eastern Greenland and extending from as far south as 600 miles north of Ottawa to 500 miles from the pole. All this was done with no resources other than the skins and bones of the country's hard-won game, and the great powers of endurance and resourcefulness of this exceptionally intelligent race. To survive in the north, one had to be intelligent. The less intelligent were simply eliminated by nature. This process, over 4,000 years, has bred a race of people who have a higher degree of intelligence among them than any other identifiable human group. I know that their capability, their resourcefulness, and their drive are enormous. They are a people of great sophistication.

In conclusion I ask the Minister of Justice and the minister of northern affairs, both of whom I know are concerned over the way this is being handled, to give the committee a clear statement. They should assure us that the Eskimo people will in fact be consulted and will have an opportunity through a referendum to state their wishes. They must assure us also that the Eskimo people will have access to independent counsel during the negotiations. Further, I want them to give an assurance that the rights of parliament to inspect any agreement will be respected. The issue is the issue of self-determination. It is the issue which is at stake all over the world. It is the issue at stake in Angola, in the Congo, in Cyprus and Birmingham, Alabama; and if we do not change our ways, and fail to solve it in the Canadian north, then the tragedy will be that Canadian men and women may be called upon to fight and die for the same failure in other parts of the world.

Progress reported.

Mr. Favreau: Mr. Speaker, in order to allow as much time as possible for interim supply and, if I may put it frankly, to bring us if possible closer to an Easter recess, I would suggest that the house give unanimous consent to proceed with government business until six p.m. this afternoon. Of course, as usual, the private members' hour would not be lost but retained as the fortieth usual hour during the session.

Mr. Churchill: So far as we are concerned, Mr. Speaker, we are prepared to forgo the private members' hour from five to six o'clock but I thought we were assured the Easter recess would start tomorrow at 6 p.m.

Mr. Howard: Mr. Speaker, this is undoubtedly an expression of the desire of hon. members to rush through the government's, or the public's business in order to have a recess. But I think, inasmuch as that is the desire, and this house and the country was promised on more than one occasion that the government would be able to organize its business in such a way that they would not be continually in these rushed periods, the better course to follow would be to take the private members' hour today.

Mr. Patterson: Mr. Speaker, as far as we in the Social Credit party are concerned, we would be quite happy to proceed as the government house leader has suggested.

Mr. Nielsen: Naturally.

An hon. Member: Is there unanimous consent?

Mr. Howard: No, there is not. I suggest, Mr. Speaker, that we proceed to the normal business that arises at five o'clock today.

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

BOUNDARIES

QUEBEC AND NEWFOUNDLAND—SUGGESTED ESTABLISHMENT OF COMMITTEE TO STUDY LABRADOR LINE

Mr. Gilles Gregoire (Lapointe) moved:

> That in the opinion of this house, the government should give consideration to the advisability of appointing a committee to study the matter of the Labrador boundaries between the province of Quebec and the province of Newfoundland.

[*Translation*]

He said: Mr. Speaker, the motion I am introducing is quite simple and contains few specifications, precisely in order to be well received by all and to meet the wish of all members of the house. Its purpose is to ask the government to consider the advisability of setting up a committee to study the determination of Labrador boundaries between Quebec and Newfoundland.

At this time, borders between these two provinces are vague and indefinite. As a matter of fact, in many places, they are not defined clearly enough. On the other hand, elsewhere, I feel that they are against all logic, against all the principles of geography and anthropography, that is, against all the laws of hydrography, mapping and demography. They also run counter to the laws of industrial development.

Mr. Speaker, that is the source, the cause of internal and external problems.

We merely request the setting up of a committee, leaving to the government the choice of the type of investigation committee or commission. We do not wish to start a debate on the type of committee or commission in question. That is left to the government. We would simply like the government to study the matter, because there is a point of conflict, problems are being raised and we merely ask the government to take the matter into consideration.

We believe that is an extremely important problem for Newfoundland and Quebec.

Mr. Speaker, I shall not labour the point, because I think no member of this house should object to a request to set up a committee in such general terms as those we suggested. Furthermore, we are convinced that no hon. member can object to a study of the matter, especially in view of the fact that it is a point of argument.

Therefore, I ask the house to accept our suggestion to set up a committee, leaving it to the government to decide what kind of committee or commission would be appropriate.

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I fully agree with the hon. member for Lapointe (Mr. Gregoire). It is time a committee was set up so that a final agreement might be reached to mark the boundaries of Labrador, and more particularly the territory belonging to Quebec and the one belonging to Newfoundland.

It is acknowledged that this problem has been outstanding for many years, and if the province of Quebec lost part of Labrador, it is probably because the government of the time, the Taschereau government, failed to send competent lawyers to London to plead Quebec's cause. It is found now that this part of Canada is very rich, that it constitutes a mining empire, with a tremendous power potential, perhaps the greatest in the world. Some time ago, the Newfoundland and Quebec premiers initiated negotiations. I note that the Quebec premier seems ready to yield to the requirements and demands of the Newfoundland government.

I know that Mr. Smallwood has his own interests to defend, that he is trying to keep this territory and take as much as possible for himself. But I think that the Quebec premier should be adamant and not yield, so that Quebec might regain as much as possible of that valuable territory.

If a committee was established, experts, geographers, technicians from the Department of Mines and Technical Surveys as well as the two premiers involved could be summoned in order to reach an agreement of sorts.

Mr. Chairman, before I resume my seat I should like to express the hope that the motion of the hon. member for Lapointe will be carried because I am convinced that it is logical.

I further hope that the Quebec premier will adopt a firm attitude since all his people stand behind him just like Mr. Smallwood has the full support of his province.

In my opinion, it is important that the Quebec premier should not accept a compromise which would be unfavourable to his province. That is what we fear in the province of Quebec, and I would be most happy if our premier were to take immediate and firm action so that our province could recuperate as much as possible of that territory which, morally speaking, belongs to us.

[*Text*]

Mr. C. W. Carter (Burin-Burgeo): Mr. Speaker, when I first looked at this motion my immediate impulse was to raise a point of order. But upon observing that it only asks this house to express an opinion, and since in a free country free people should be able to express opinions on any matter, I felt that perhaps it would not be worth while to take up the time of the house with points of order. But even if the rules permit a debate of this kind, there is still the question of the propriety of considering certain courses of action. This question of propriety is tied in with responsible behaviour in this house, which in turn determines the image of parliament which we create in the public mind.

A few days ago parliament used up private members' hour debating a motion which was directed to the consideration of the advisability of buying a house which had already been bought. While that may have been permissible under our rules, I doubt very much

whether it was a proper use of the time of this parliament and that we enhanced the image of parliament by using this time for that purpose. It seems to me, Mr. Speaker, that the particular motion before us now is of the same order of futility, because it seeks to debate the advisability of setting up a committee to study something which has already been studied, and not only studied but brought to a final conclusion, which is binding on all parties concerned. Certainly we will not enhance the image of parliament in the mind of the public if we spend another hour today discussing a matter which has already been settled and finalized when there is so much other business to be done and 50 or more private members' motions are on the order paper awaiting debate.

If this debate is not helpful to parliament, the question then arises: What purpose does it serve? Does it serve the cause of the constituents of the hon. member for Lapointe (Mr. Gregoire)? Does it serve the cause of the province of Quebec or the province of Newfoundland? Does it serve the cause of Canada? Does it serve the cause of democracy? I propose to show that it serves none of these purposes, Mr. Speaker.

Mr. Byrne: It is political.

Mr. Carter: Well, I do not want to impute motives because I think that is against the rules of the house. I was interested to note that the hon. member for Lapointe advanced no reason at all as to why this motion should be discussed. However the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon) was a little more specific about his motivation. I think we should be very clear as to what this motion asks us to do. In the first place it asks us to consider the advisability of a course of action, namely to set up a committee to study the boundary line between two provinces. The key word here is "advisability". In other words, we are to consider the advisability of the federal government poking its nose into provincial affairs.

The hon. member for Lapointe has prided himself on being the champion of provincial autonomy. On many occasions he has been very vociferous when he felt that provincial rights and autonomy were being violated. What a surprising somersault he has performed today in taking the very opposite course and asking us to consider the advisability of directing the government to interfere in provincial matters.

Mr. Gregoire: Mr. Speaker, on a question of privilege, my intentions have already been dealt with.

The Acting Speaker (Mr. Batten): Order. Will the hon. member for Lapointe (Mr. Gregoire) state his point of privilege.

Mr. Gregoire: Yes, Mr. Speaker. My intentions or my actions have been dealt with, and I have been charged with making a somersault in this house with this motion. I think this is a question of privilege.

The Acting Speaker (Mr. Batten): Order. I cannot construe the hon. member's argument as a point of privilege. I think there are two possibilities open to him. He could when he speaks refute the arguments presented by the hon. member for Burin-Burgeo (Mr. Carter), but as he has already spoken he can ask unanimous consent of the house to do so after the hon. member for Burin-Burgeo has finished, or he can make any explanation he wishes to make at that time. The hon. member for Burin-Burgeo.

Mr. Carter: Thank you, Mr. Speaker. I was pointing out the paramount inconsistency of the hon. member for Lapointe in bringing a motion of this kind before parliament for debate. What would he say if some member proposed a motion to set up a committee to investigate education in the provinces, or to study health matters in the provinces? Would he be in agreement with that?

Mr. Gregoire: No.

Mr. Carter: Then how can he be in agreement with respect to other matters which are primarily of provincial concern and of no concern whatever of this house? What would this committee do, Mr. Speaker? Would it just study the matter and then have their studies evaporate into thin air?

Mr. Gregoire: That is for you and the Liberal party to do.

Mr. Carter: Is this committee supposed to make reports and recommendations? What good would there be in just carrying out a study if the study was not to result in further action? What kind of study would this committee carry out?

Mr. Gregoire: A serious one.

Mr. Carter: Would it just review the old legal arguments all over again, which have been debated a number of times?

Mr. Gregoire: Where?

Mr. Carter: I will tell you in time; just wait and listen.

Mr. Gregoire: When?

Mr. Carter: I would remind my hon. friend that this question was studied by the judicial committee of the privy council in the United Kingdom.

Mr. Gregoire: That is in England.

An hon. Member: Get up on your feet.

Mr. Carter: Yes, that is true, it is in England. It is also the final court of appeal for disputes between member countries of the commonwealth. I would also point out to my hon. friend that this particular body is so highly regarded in all the provinces of Canada, and particularly in Quebec, that even to this day they have preferred to have it handle disputes between provinces rather than repatriate the constitution and have such disputes settled by this parliament.

We must ask ourselves what effect the adoption of this motion would have on our judicial procedure. Would there ever be any finality to judicial decisions if every time someone disagreed with them parliament could pass a motion asking for further studies? What about the situation which arises when we set up arbitration procedures and appoint mediators to act in industrial disputes? It is the same principle, exactly. The hon. member said, in introducing his remarks, that the decision handed down by the judicial council was vague.

Mr. Gregoire: I never said that.

Mr. Carter: Oh, yes. I wrote the words down. He said the decision was vague and the boundary line was vague.

Mr. Gregoire: On a point of order, I never said that. I said the boundaries referred to in the decision were vague.

Mr. Carter: All right. I will accept the hon. member's correction. But if he will sit down I will show him that the boundary line is not vague. I am reading from a book entitled "Newfoundland" by R. H. Tait which is available in the library. Under the heading "The Final Award" appears this paragraph:

> The boundary between Canada and Newfoundland in the Labrador peninsula is a line drawn due north from the eastern boundary of the bay or harbour of Blanc Sablon as far as the 52nd degree of north latitude thence westward along that parallel until it reaches the Romaine river, and then northward along the left or east bank of that river and its headwaters to their source—

Is that vague? The paragraph goes on:

> —and thence due north to the crest of the watershed of the rivers flowing into the Atlantic ocean until it reaches cape Chidley.

I ask the hon. member what is vague about that?

Mr. Gregoire: Everything.

Mr. Carter: It is vague only to people who cannot understand.

Both parties to that dispute agreed to accept the decision, and not only to accept it but to accept it as final and binding. Canada was one of those parties. To open this question for revision would imply bad faith on Canada's part. What would Canada's word be worth, then? What kind of image of Canada would we be creating in the minds of people abroad?

I wish to point out something else for the benefit of the hon. member. The boundary line between Newfoundland and mainland Canada is embodied in the terms of union which I hold in my hand. For the benefit of the hon. member and of others I should like to read the first two terms of this agreement.

An hon. Member: Read term 29.

Mr. Carter: I will come to term 29, but not today. Here is term 1 which appears under the subheading "Union".

> On, from, and after the coming into force of these terms (hereinafter referred to as the date of union), Newfoundland shall form part of Canada and shall be a province thereof to be called and known as the province of Newfoundland.

Term 2—and this is the important one—reads:

> The province of Newfoundland shall comprise the same territory as at the date of union, that is to say the island of Newfoundland and the islands adjacent thereto, the coast of Labrador as delimited in the report delivered by the judicial committee of His Majesty's Privy Council on the first day of March, 1927, and approved by His Majesty in His Privy Council on the twenty second day of March, 1927, and the islands adjacent to the said coast of Labrador.

The hon. member may not realize that these terms of union constitute an agreement between two sovereign states. This document is not something that can be changed by unilateral action. It is in the nature of a treaty between sovereign states. It is also a part of the British North America Act, which is the Canadian constitution. What kind of a picture would we be creating if the attitude implied by the hon. member were to be taken toward agreements and treaties of such a nature? What would be the picture of Canada abroad if we treated such a document as a scrap of paper?

Here I would point out another inconsistency on the part of the hon. member for Lapointe (Mr. Gregoire). He has always been complaining most vociferously, indeed, vehemently at times, that English speaking Canada has not lived up to the terms of the British North America Act. This, he says, has been the cause of part of the trouble between French speaking and English speaking Canada. Now the hon. member himself wishes to scrap part of the British North America Act. Is this consistent? This is also part of Canada's constitution, every portion of which has the same value as any other. Perhaps the hon. member takes the position that the parts of it which are disagreeable to him and to those he represents in Quebec should be scrapped, while those other parts with which he does happen to agree should be regarded as sacred and

nothing should be done to change them. The hon. member cannot have it both ways. Either the constitution is binding on all, or it is not, and if it is binding on all it is binding on Quebec as well as on the other provinces.

I think the hon. member is doing a disservice to his constituents, to the people of Quebec and to Canada when he brings forward a motion of this kind.

The Acting Speaker (Mr. Batten): Order. I must interrupt the hon. member for Burin-Burgeo to advise him that his time has expired.

Some hon. Members: Go on.

The Acting Speaker (Mr. Batten): Does the hon. member have unanimous consent of the house to continue?

Mr. Gregoire: On condition that I would have the right to answer the charges made by him.

Some hon. Members: No.

Mr. Gregoire: Then no unanimous consent.

The Acting Speaker (Mr. Batten): The hon. member for Lapointe will have the right to make any rebuttal he wishes to make when he winds up the debate on second reading.

Mr. Frank Howard (Skeena): Mr. Speaker, it looked like we were having a bit of a family squabble for a while, and I am sure that is primarily what it is. I cannot help but agree with the last remarks of the hon. member for Burin-Burgeo (Mr. Carter) when he pointed out what is becoming more obvious every day, namely that when someone from Quebec becomes involved in anything in the house or proposes anything in the house they want to have it both ways. They do not want anybody else to say anything at all about what happens in Quebec, but they want the federal government to intervene on their behalf whenever they have a problem with some other part of the nation. As far as I am concerned this desire to have it both ways should cease and desist.

I am not so much concerned at this stage about this family squabble with regard to where the boundary should go, if it should go anywhere. I only rise to say that if the motion passes and if the government is going to consider the advisability of establishing a committee to deal, as the motion says, with the particular boundaries to which it refers, then I do not think the terms of reference of that committee should be so narrow as those contained in the motion proposed by the hon. member for Lapointe (Mr. Gregoire). We have other boundary problems in this country in addition to this one and they too deserve extensive investigation.

Mr. Gregoire: Order.

Mr. Howard: I think particularly of my own home community and that area encompassing northwestern British Columbia and the Panhandle of Alaska.

Mr. Gregoire: On a point of order, Mr. Speaker, I think that the terms of this motion are confined to one part of the country. If my hon. friend wants to raise another matter I submit he will have to present his own motion. I think he is completely out of order in bringing other subjects into the discussion.

Mr. Nielsen: It concerns boundaries.

Mr. Howard: Again we have an indication of this narrowmindedness.

Mr. Gregoire: You bring your own motion.

Mr. Howard: The hon. member says I should bring my problem forward by way of another motion. I intend to do it by tacking on an amendment to the motion now before us. If that will satisfy my friend, perhaps he will cease interrupting me and let me continue.

Mr. Gregoire: You are out of order.

Mr. Howard: Mr. Speaker, I wonder whether you would protect me from these chatterings that are going on behind me.

Mr. Gregoire: Mr. Speaker, I should like to ask for your ruling on that point.

The Acting Speaker (Mr. Batten): I would hope the hon. member for Skeena would stay as closely as possible with the motion before the house, but I should point out to the hon. member for Lapointe that, with reference to interruptions during a debate, Beauchesne has this to say in citation 126, paragraph 2, found on page 114:

> The rule is well known that interruptions should not be tolerated.

I am sure the hon. member for Lapointe will want to observe the rules of the house.

Mr. Gregoire: On a point of order, Mr. Speaker, I have asked for your ruling on the question, can the hon. member discuss a subject other than the one set forth in the motion? Can he discuss anything under the motion as presented? I ask for your ruling on that point.

The Acting Speaker (Mr. Batten): I have already asked the hon. member for Skeena to adhere as closely as possible to the motion before the house and I am sure he will do that.

Mr. Howard: Mr. Speaker, before I was interrupted this last time I was about to say that I would be very happy to comply with your ruling and that I should stick as

closely as possible to the motion now before us. This is what I intend to do, by pointing out that the motion is far too narrow in its concept and I intend to move an amendment to it. I want to lead up to the amendment by making some preliminary remarks about the content of the amendment I intend to move. I referred earlier to the boundary along the Alaskan Panhandle between the state of Alaska and the province of British Columbia. If one wants to see a definition of a boundary that is vague and meaningless then all he has to do is read the agreement made between the United Kingdom and Russia in 1825, I believe, defining the line of demarcation between Russian territory and what was then British territory. If anything is vague and meaningless, that agreement is.

Finally however an international commission was established which arrived at a decision in 1903 dictated primarily by the foreign policy of the United States. This decision resulted in Canada's coming out second best and having its interests sold completely down the river by the chairman of that commission, which met in London. I do not intend to go into the background detail of that matter. I merely wish to point out that because of that decision, based upon an extremely vague definition of where the boundary should be, a decision written incidentally by people who had never been there and did not know the region at all, it is high time for this particular boundary problem to be studied carefully so that British Columbia can get a fair and square deal with regard to the boundaries involved.

There is also an unresolved boundary problem between the province of Quebec and the province of Ontario. It concerns the boundary between those two provinces in relation to the international boundary along the St. Lawrence river, and it adversely affects the native Indian people who live in that area. Founded upon this brief explanation I should like to move an amendment, seconded by the hon. member for Comox-Alberni (Mr. Barnett). I must apologize, Mr. Speaker, for having only one copy. I prepared it here in the house and was not able to make more. The amendment is as follows:

That the motion be amended by adding thereto the following:

"and the matter of the boundary between the province of Quebec and the province of Ontario at the international boundary, and the matter of the international boundary along the Alaska Panhandle between the state of Alaska and the province of British Columbia.

In essence the amendment embraces the two additional problems to which I referred earlier. If it was in order, as it apparently was, for the hon. member for Lapointe and the hon. member for Burin-Burgeo to argue that the parliament of Canada should consider the establishment of a committee to deal with the boundary between two of the provinces, then I simply say that surely it is even more in order to extend the terms of that committee to deal with international boundaries which are solely the concern of the parliament of Canada. Let us do that so that the northern part of British Columbia can be put on a more equitable footing.

The Acting Speaker (Mr. Batten): Order. The motion before us asks that the government give consideration to the advisability of appointing a committee to study the matter of the Labrador boundaries between the province of Quebec and the province of Newfoundland. In my view the motion is not one to appoint a committee, but rather to appoint a committee for the consideration of one specific thing. I believe that the amendment presented by the hon. member for Skeena enlarges the intent of the motion before us and I would therefore rule it out of order.

Mr. Ricard: Mr. Speaker, I rise on a question of privilege. At the beginning of his remarks the hon. member for Skeena made a remark, I think, which I as a member of the Progressive Conservative party cannot let pass without putting the record straight.

The Acting Speaker (Mr. Batten): If the hon. member wishes to refute anything said by another hon. member in debate, then he will have to wait until his turn comes to speak. I do not believe an attempt to refute an argument constitutes a question of privilege.

Mr. Ricard: With all due deference to Your Honour, I think I have the right to rise on a question of privilege because the hon. member for Skeena implied a number of things about members from the province of Quebec. I think it is my duty to stand up here and refute what he has said.

Mr. Howard: I rise on a point of order, Mr. Speaker. The right hon. gentleman who is the Leader of the Opposition once used a phrase, in reference to someone else, "eggshell sensibilities". I am sure that is what the hon. member is now exhibiting when he attempts to rise on a question of privilege concerning my remarks. This exemplifies what has been said about the people coming from Quebec, "You cannot have it both ways; you have to have it one way, and that is that."

Mr. Ricard: This is my point of privilege. I say that we have to have respect for those who do not share our point of view. We have been sent here by the people of Quebec, and we are sick and tired of being pointed

out as some sort of bird of which there is only one species. As one from the province of Quebec, I am sick and tired of this, and I want to say so in the House of Commons. It is about time we were respected as we are supposed to be, because we represent the opinions and aspirations of the province of Quebec. We are tired of being accused by members like the one who just took his seat of trying to have everything our own way. This is not what we want. We want to place our views in front of this house, and nothing more. We recognize that others have a right to their opinion, just as we have a right to ours.

Mr. Mackasey: Mr. Speaker, on the same point of privilege, I should like to endorse most heartily the remarks made by the hon. member.

An hon. Member: That is not a point of privilege.

Mr. Mackasey: If he is in order, then I am in order too. I come from the same province and I want to endorse his remarks.

Mr. Winch: When the Speaker is standing up, you should sit down.

The Acting Speaker (Mr. Batten): Order. An attempt to refute an argument does not constitute a question of privilege. Neither refuting an argument made by an hon. member of the house nor taking the opportunity to agree with an hon. member constitutes a question of privilege. When the hon. member for St. Hyacinthe-Bagot arose, I pointed out to him that he had no question of privilege in refuting the hon. member's statement, and I point out to the hon. member now that he has no question of privilege.

[*Translation*]

Mr. Gustave Blouin (Saguenay): Mr. Speaker, at the beginning of my brief remarks on such a ticklish question as that of the boundaries between the province of Quebec and the province of Newfoundland, I say right now to the house that I do not pretend to be an expert.

However, as representative of the Saguenay county, which has the largest surface area in Canada, except the Northwest Territories, because it comprises 375,000 square miles and contains a wealth of natural resources, specially iron ore, it is imperative that I say a few words. This county borders on several points of the province of Newfoundland, as varied as they are difficult.

I should also add that the railway line which stretches out from Seven Islands to Schefferville crosses the border into Newfoundland at several points. I often did it on foot and even with snowshoes.

Again last fall, when I was in Blanc-Sablon, the terminal point of the Quebec Labrador coast, I was quite astonished to see an ordinary rock, bearing no inscription, thrown there haphazardly, as it were, indicating the frontier between the two provinces.

Mr. Speaker, there is no official dividing line between the two provinces. This is not a new problem. It has been the subject of many an article, but to no avail unfortunately.

I think that instead of setting up a committee to consider the matter of frontiers in this vast territory, as suggested by the hon. member for Lapointe (Mr. Gregoire), it would be better to appoint a commission such as the international frontier commission, for instance.

That commission comes under the jurisdiction of the Department of Mines and Technical Surveys. It has one representative from Canada and one from the United States.

Mr. Gregoire: What will the United States be doing there?

Mr. Blouin: I would ask the hon. member to wait a moment.

That commission is concerned especially with the boundary between Canada and the United States. It does not deal with the boundaries between the provinces of the federal territories.

However, there are other commissions. For instance, the general surveyor of Canada is often called upon to determine, on the spot, the boundary lines between various provinces or the common boundary between the federal territories and the provinces. That is how ad hoc commissions are set up in each case.

The general surveyor of Canada has been asked to help mark the boundaries between British Columbia and Alberta, between Alberta and Saskatchewan, between Manitoba and Saskatchewan, and between Ontario and Manitoba. In each of these cases, a tripartite commission was set up, with a representative of each of the provinces involved and one of the federal government, which in such cases is always the general surveyor of Canada.

In other cases, where boundaries between a province and a federal territory are involved, it is a bipartite commission. That was the case of British Columbia and Yukon, of Saskatchewan and the Northwest Territories, as well as of Manitoba and the Northwest Territories.

The cost of marking those boundaries is generally divided in two equal shares in the case of a bipartite commission.

When tripartite commissions were established, that is, when two provinces wanted to settle their boundary problems by asking the federal government to participate, in

some instances, the federal government paid a certain amount; in some cases also, many years ago, the federal government did not contribute anything, but acted as arbitrator.

In the case of the frontier between Manitoba and Saskatchewan, the federal government recently took part in the work involved and paid one third of the total cost, the two provinces concerned paying one third each.

This participation by the federal government has never been imposed by the general surveyor of Canada; in other words, the federal government waits for a formal invitation before undertaking any such work.

As far as Quebec is concerned, the problem of the Labrador frontier is not the only one creating a conflict. The question of the islands in lake St. François is still to be settled definitely between Ontario and Quebec.

Mr. Speaker, I am under the impression that some federal ministers of mines and technical surveys have in the past offered to help the provinces of Ontario and Quebec to solve this problem and I do not believe that either the federal government, Quebec or Ontario have received any answer in that respect.

As far as the Quebec-Labrador boundary is concerned, the federal government has never been invited to participate in any way in that delimitation. On the maps issued by the federal government, the boundary line indicated is that of the level of the lands, according to a judgment rendered in 1927 by the London privy council. On the maps issued by the province of Quebec, that boundary is never shown—at least on those issued during the last 20 or 30 years—and in the corner of the map, we usually find that reference:

The boundary line between Quebec and Newfoundland is not shown on that map, with good reason.

I believe that footnote was added on the maps published by the province of Quebec at the special request of the former premier, Hon. Maurice Duplessis.

If you keep to the decision rendered by the privy council in London in 1927, you would, of course, have to determine on the spot the exact position of that boundary line between what is commonly called Labrador and Quebec. You could then proceed according to one of the following methods:

First, the governments of Quebec and Newfoundland could each appoint a commissioner and agree beforehand to be bound by their findings. In the event of conflict concerning certain points of the boundary, they could refer the question to a consultant or an arbitrator who would be neither from Quebec nor from Newfoundland. This consultant could be a recognized firm of engineers and surveyors, or the surveyor general of Canada.

Second, an independent organization in Quebec or Newfoundland could simply be asked to do the work.

Third, a three-member commission could be created which would include a representative of the province of Quebec, one of Newfoundland and a third one from the federal government. As I say, that is how most provinces proceeded.

Even though I have no idea how much it would cost, I should like to say that modern land-surveying techniques would make it easy to draw a line in the territory concerned. Satisfactory results could be achieved by means of aerial photography and photographic surveying.

In conclusion, Mr. Speaker, I must assure the house that we have no intention of taking something away from Newfoundland to give it to Quebec or vice-versa. We just want a commission constituted as I have just indicated, to determine once and for all the boundaries of those two provinces which contribute so much to the economy of the whole country.

The boundary line between those two provinces has, as I said, often been mentioned. I have travelled along those frontiers on many occasions, and I have never seen any official boundary line.

If we refer to the revised statutes of 1952, chapter 11—

[*Text*]

The British North America Act, 1871, 34-35 Victoria chapter 28, an act respecting the establishment of provinces in the Dominion of Canada, section 3:

The parliament of Canada may from time to time, with the consent of the legislature of any province of the said dominion, increase, diminish or otherwise alter the limits of such province, upon such terms and conditions as may be agreed by the said legislature, and may, with the like consent, make provision respecting the effect and operation of any such increase or diminution or alteration of territory in relation to any province affected thereby.

[*Translation*]

As it is getting late, I again suggest that a commission similar to the one I mentioned a moment ago be set up to determine once and for all the boundary line between those two very important provinces.

[*Text*]

The Acting Speaker (Mr. Batten): Order. It being six o'clock I must advise the house that the hour for consideration of private members' business has now expired.

BUSINESS OF THE HOUSE

Mr. Churchill: I would like to ask the acting house leader if it is the intention of the government to proceed with interim supply first thing tomorrow and, on the conclusion

of that, to deal with supplementary estimates?

Mr. MacNaught: Mr. Speaker, the suggestions made by the hon. member for Winnipeg South Centre (Mr. Churchill) are substantially correct. If any changes in the proposals for tomorrow are made they will be communicated to the leaders of the respective taken at Elliot Lake?

Mr. Gregoire: May I ask the acting house leader, if we do not finish these two items by six o'clock tomorrow when will the house have the opportunity to complete its work?

Mr. MacNaught: I am afraid I could not give an answer to that question without further consultation with my colleagues.

Mr. Monteith: You certainly live from hand to mouth.

The Acting Speaker (Mr. Batten): Order. It being six o'clock, and pursuant to special order made this day, this house stands adjourned until eleven o'clock tomorrow morning.

It being two minutes after six o'clock the house adjourned, without question put.

HOUSE OF COMMONS

Thursday, March 26, 1964

The house met at 11 a.m.

PRIVILEGE

MR. CHURCHILL—REPORTED ADDRESS BY MINISTER ON DEFENCE WHITE PAPER

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I am rising on a question of privilege which affects parliament. I will state it immediately. My question of privilege refers to a report in the newspaper, confirmed by outside sources this morning, that the Minister of Defence Production (Mr. Drury) appeared at the united services institute meeting in Montreal last night and delivered an address called "Some aspects of the white paper on defence". Unless the minister is prepared immediately to deny that he was present at that meeting and did not talk on the white paper, I will have to proceed with my question of privilege. As the minister does not deny his presence there and the subject of his address, may I draw to the attention—

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, on a point of order, I assume I am supposed to interrupt the hon. gentleman to make a denial. I was present last night at the institute meeting, as the hon. member has suggested. I did make an address, the text of which I have upstairs and would be glad to furnish to the hon. member if he wishes to see it. I pointed out that some time ago I had agreed to speak to the institute in Montreal, in the hope that by that time the white paper would have been published. The chairman of the institute meeting made it quite clear—of course the hon. member was not there—that I could not and would not talk on what had been advertised as the subject of the address because the white paper had not yet been tabled in the house, and consequently I would not talk to the white paper and the advertised subject of the address unfortunately could not be adhered to.

Some hon. Members: Hear, hear.

Mr. Churchill: Mr. Speaker, I fail to understand the statement that—

Mr. Roxburgh: You would never understand.

Mr. Monteith: Well, who are you to talk?

Mr. Churchill: Grit arrogance shows itself here every day with interruptions and the prevention of freedom of speech. I fail to understand the minister's statement that he would not "talk to the white paper." He has not said that he did not refer to the white paper or its contents, and for him to do so is an infringement of the rights of parliament. The minister appeared at a meeting of the united services institute in Montreal, with an armed guard standing outside the door—

An hon. Member: With a tommy gun.

Mr. Churchill: With a tommy gun, I am informed—and at this meeting within closed doors, according to this report not categorically denied by the minister, there was a discussion on the part of the minister of matters referred to in the white paper.

The white paper, Mr. Speaker, as with any other announcement of government policy, should be presented to the House of Commons first before being disclosed to the general public.

An hon. Member: Or any part of it.

Mr. Churchill: There is no excuse for a minister of the crown using special information that he has with regard to a major matter of policy and disclosing it to any group in the country, the united services organization or any group whatsoever. This is an infringement of the rights of parliament. It is typical of the approach of the Liberal party to the rights of parliament—

Some hon. Members: Order.

Some hon. Members: Hear, hear.

Mr. Churchill: —and it is on that ground that I rise on this question of privilege. This is an instance where a minister of the crown should make a complete and full statement to the house immediately—

An hon. Member: He already has.

Mr. Churchill: —which he has not yet done; and if he has disclosed the contents of the white paper and has thereby violated his oath of cabinet secrecy he should resign.

Mr. Drury: Mr. Speaker, unfortunately I have not seen the newspaper account to which the hon. member has made reference. I do not know, therefore, what I am alleged to have said. Clearly the hon. member who has raised the question of privilege does not know what I did say. He was not there.

Mr. Churchill: Would I have been permitted entrance, with an armed guard?

Mr. Drury: I can say that I made it abundantly clear that the House of Commons has the right and privilege of being the first to receive announcements of government policy, and that I respect this and adhere to it. Consequently, in spite of the invitation issued to me some time previously to speak on the white paper, I made it clear that I would be unable to do so last night. I could not, would not and did not. As has been done by the Minister of National Defence on a number of previous occasions, I was able to deal with some of the historical background leading up to our present defence situation, but I can say quite categorically to the house and to the hon. member that I did not disclose or make any statements with regard to new policy or about to be new policy which will be apparent in the white paper.

Mr. Bell: How about the armed guard?

[*Later:*]

On the orders of the day:

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, my question is for the Minister of Defence Production. Can the minister tell the house whether it is true that an armed member of Canada's armed forces was placed on guard at the united services institute in Montreal, where the minister gave an innocuous address last night? If so, what was the purpose of that guard?

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, the united services institute in Montreal has no premises of its own. Through the facilities of the Quebec command of the army it was able to make use in the evening of the Quebec command headquarters on Atwater avenue. The normal patrolling arrangements for Quebec command headquarters at Atwater avenue were observed last night as they would be on any other day or at any other time.

NATIONAL DEFENCE

TABLING OF WHITE PAPER

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, I should like to table two copies in English and in French of the white paper on defence. Additional copies are being made available immediately to all members of the house through the distribution office.

[*Later:*]

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): I wish to direct a question to the Minister of National Defence and ask him whether it is the intention of the government to reappoint the committee on defence at an early date and, if so, whether it is also his intention to refer to that committee for study and report the white paper which was tabled today.

Hon. Paul Hellyer (Minister of National Defence): Yes, Mr. Speaker, it is the intention of the government to move to set up that committee soon after the Easter recess, and I am sure the committee will wish to examine the white paper and the policy matters referred to in it.

TRANSPORT

ST. LAWRENCE SEAWAY AND WELLAND CANAL—STATEMENT ON TOLL INCREASES

Hon. J. W. Pickersgill (Minister of Transport): As I indicated to the right hon. gentleman opposite yesterday, I am in a position now to give a very brief statement about tolls on the St. Lawrence seaway. I am making the statement now because parliament, we rather hope, may be in adjournment for a little while and certain things may have to happen during the adjournment. I should like the house to know what may take place.

The St. Lawrence seaway authority has advised me that the authority and the St. Lawrence Seaway Development Corporation of the United States expect shortly to reach tentative agreement on a notice to be published for the purpose of public hearings on the subject of the review of seaway tolls. This notice will be issued as soon as it is available.

On December 23, 1963, the government of Canada and the government of the United States exchanged notes agreeing to repeal the suspension of tolls on the Welland canal effective April 1, 1964. The result of this action would have been to restore the level of tolls as they were established in 1959 by the previous administration.

The government has now decided not to reimpose the tolls on the Welland canal at the present time. Accordingly, Canada and the United States have agreed to exchange further notes to withhold the reimposition of Welland canal tolls, and in doing so the government reserved its freedom of action to meet future developments.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, this action on the part of the government is most commendable. This is another example of retreat by this government. In December, with precipitate haste, they rushed in to announce that Welland canal tolls, which we had removed, were going to be reimposed on April 1. They have had to retreat from that position. I know everyone will be very happy that the

government has once more followed the policy of the administration of which I had the honour to be the leader.

Mr. D. M. Fisher (Port Arthur): We are pleased, Mr. Speaker, that a decision has been made not to reimpose tolls at this time. However, the minister gave no indication of something that has been linked with the whole question of tolls, and that is the idea of the twinning of the canal and the financing of both the seaway and the proposed twinning. It seems to me that he might have gone so far in his statement as to give us something of this background material. I think he would have to agree that since there has been no ruling, and since he reserved the right of the government to reimpose tolls on some future occasion, we still have what you might call a lobbying or pressure situation upon all parties. I know the minister will regret this as much as anyone else, and that is the reason I think we should expect, either today or in the near future, an enlarged statement taking into account the financial position of the St. Lawrence seaway authority and the expenditures for twinning the canal.

EFFECT OF NEW WHARFAGE RATES ON FERRY SERVICES

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to ask the Minister of Transport a question based on an answer he gave to the house on March 16 regarding the regulations relating to wharfage rates. As reported at page 951 of *Hansard* the minister said:

> But, at the same time, I asked to have all the others looked into to see if there were any anomalies of any sort and, if there are, they will be corrected.

I wonder whether the minister has completed his examination of these regulations with respect to wharfage rates and discovered any anomalies and, if so, will they be corrected?

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, I think I indicated some days afterward that as far as the proposed new rates with respect to motor cars and trucks going on to ferries were concerned, it was thought better to revert to the regulations which had existed prior to this, and that action was being taken to that effect. Just before coming into the house I signed a recommendation to that effect, which I am sure will receive the approval of the governor in council because the decision in principle had already been taken to approve them, and it was a mere matter of getting them properly drafted.

I think what the hon. gentleman probably has in mind are the regulations respecting wharfage so far as fishery products are concerned. An administrative problem was drawn to my attention, partly perhaps by the hon. gentleman drawing it to the attention of my department, and I do not think there is need for any change in the regulations. But there is certainly need for some clarification about the administration, and that is being proceeded with.

CONSTRUCTION OF ADDITIONAL FERRY FOR P.E.I. SERVICE

On the orders of the day:

Hon. J. A. MacLean (Queens): Mr. Speaker, I should like to ask the Minister of Transport if he is now in a position to answer the question I asked yesterday.

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, I am a little disappointed to have to tell the hon. gentleman that it appears that some months will elapse before the government will be in a position to call for tenders, but I have asked that the utmost speed be exercised in this matter.

Mr. MacLean (Queens): A supplementary question, Mr. Speaker. In view of the fact that the minister's predecessor said in May of last year that he hoped tenders would be let before the end of the fiscal year, and in view of the fact that the Solicitor General made the statement later in July that he expected tenders to be let last fall, does the minister's statement mean that this program has been decelerated rather than accelerated?

Mr. Pickersgill: No, sir, it does not mean that; but, as the hon. gentleman knows very well, it is frightfully important in these matters to design these vessels properly. I can assure the house that I am nearly as anxious as the hon. member, and I may say I am being prodded constantly by the Solicitor General in this matter. Everything I can do to speed up the project will be done.

Mr. Heath Macquarrie (Queens): A supplementary question, Mr. Speaker. Speaking of prods, I should like to ask the minister if he has received a copy of a resolution passed unanimously by the Prince Edward Island legislature urging the immediate construction of this vessel and immediate construction of the causeway, and would he indicate the tenor of his reply?

Mr. Pickersgill: Both matters are receiving immediate attention.

PUBLICATIONS

INQUIRY AS TO INTRODUCTION OF LEGISLATION

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): In the regrettable and unavoidable absence of the Prime Minister I should like to direct a question to the Acting Prime Minister. On behalf of the whole house, may I express the hope the Prime Minister is getting along all right. I do not know who the Acting Prime Minister is at the moment.

What is the present position with regard to prospective legislation to implement certain provisions of the O'Leary commission report; and will that legislation be brought in shortly after we come back from the Easter recess?

Hon. J. W. Pickersgill (Minister of Transport): I should like to thank the right hon. gentleman for the solicitude he has expressed on behalf of the whole house for the Prime Minister. I will be happy to convey it to the Prime Minister.

In so far as the question is concerned as to when we will reach the resolutions, of which notices were given by the Prime Minister and the Minister of Finance, I have not had a chance to consult the house leader, the Prime Minister or the Minister of Finance about the precise order of business that is contemplated when we resume our sessions after whatever recess we may have at Easter. But I would think the government would be very anxious to complete all the business connected or associated with the budget as quickly as it could.

Mr. Diefenbaker: I do not know whether the hon. gentleman will be able to answer my next question, but I would like to ask him whether he would ascertain—if he does not know—whether the co-ordinator, if I use the right title, had any authority from the government to advise any of the magazine owners and publishers that there was no possibility now of legislation to implement the O'Leary commission report being brought in before the latter part of June or July?

Mr. Pickersgill: Mr. Speaker, I do not know the answer to that question. I am not quite sure who the right hon. gentleman means by the co-ordinator, but if he would like to become a little more personal in these references then perhaps I could make suitable inquiries.

Mr. Diefenbaker: Mr. Speaker, I understood we are paying $25,000 a year to Mr. Kent to occupy that position, and he was so described in the press, and that it came from the government that he is the co-ordinator.

Mr. Pickersgill: I am sure the right hon. gentleman, with that respect for public servants he has shown throughout his public life, has now said what he wanted to say.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: And with the same respect to ministers of the crown sitting opposite, may I ask the minister whether he will ascertain whether the government is in the position today of being about to retreat from its declared intention regarding foreign publications?

Mr. Pickersgill: Mr. Speaker, I am not sure about the grammatical structure of that question, if it was a question. I will examine it in *Hansard* and if it is capable of being answered I will try to answer it.

TRADE

AUTOMOBILE PARTS—REPORTED REFUSAL OF U.S. SUBSIDIARY COMPANIES TO SHIP TO CHINA

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I want to ask the Minister of Trade and Commerce a question arising out of the comment that has appeared on the very long answer he gave on Tuesday in connection with the refusal of United States subsidiary companies to ship automotive parts to China. Is the minister prepared to make a statement, in effect to answer the charges that he was probably or could have been lying in his remarks?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, I am most grateful to the hon. member for Port Arthur for relieving me of the necessity of raising a question of privilege. As I understood the front page story in the Toronto *Globe and Mail* this morning, Mr. Grinkus of the Gain Import Company is charging me with misleading the house, and he has charged me with telling a lie.

May I read what I said as recorded at page 1398 of *Hansard* for March 24. The particular charge Mr. Grinkus has made, according to the newspaper article, is that I had denied I had received complaints from his company, and I should like to read what I said on Tuesday. The hon. member for Burnaby-Coquitlam asked me a question; first, if I had received any complaints from Canadian exporters with regard to the refusal of automobile companies in Canada which are subsidiaries of United States automobile manufacturers to supply automotive parts to China. This was my reply:

As I said yesterday, I was unaware of any complaints but I found that last summer I had received a complaint from one exporter, whose name I believe was Mr. Ginkus—

Perhaps he was annoyed because *Hansard* misspelled his name, which should have been "Grinkus".

—of Gain Import Company Limited, who was unable to obtain a supply of certain types of automotive parts for export to mainland China.

It is clear from *Hansard* that I did refer specifically to the complaint he registered.

WHEAT AND FLOUR—CONTINUATION OF SHIPMENTS THROUGH EASTERN PORTS

On the orders of the day:

Mr. Thomas M. Bell (Saint John-Albert): Mr. Speaker, I have a question for the Minister of Trade and Commerce. Since the date of the seaway opening has just been announced and activity in the St. Lawrence is beginning, will the minister guarantee that the grain shipments through Halifax and Saint John, which have been of tremendous help to these ports this winter, will continue? Will he further guarantee that the flour shipments to Cuba, which were promised to the ports of Halifax and Saint John, will take place this summer through those ports?

Hon. Mitchell Sharp (Minister of Trade and Commerce): I shall be glad to inquire into this matter and perhaps, after the recess, give a report. During the recess I shall be meeting with the chairman of the wheat board.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): I should like to ask a supplementary question into which the Minister of Trade and Commerce might also look. Will he endeavour to assure a larger share of the flour shipments through these two ports which the hon. gentleman mentioned because, I am advised, this would mean the hiring of 125 men per ship instead of the 10 or 12 men hired to load grain?

Mr. Sharp: I will look into this, too.

Mr. Bell: Will the minister now give us the assurance that there will not be any redirection of the flour shipments, as promised by the former minister of transport, from Halifax and Saint John through Montreal or some other port?

Mr. Sharp: I do not know whether the hon. gentleman expects any more information than I have given. Lacking information I cannot give this assurance, but I shall certainly inquire and see that, so far as possible, there is fair treatment to all ports in Canada.

CANADIAN BROADCASTING CORPORATION

PROGRAM "THE OPEN GRAVE"—EXPRESSION OF VIEWS FOLLOWING PRESENTATION

Mr. M. W. Martin (Timmins): I rise on a question of privilege affecting all hon. members of the house. On Monday last the Leader of the Opposition focused the attention of this house and, indeed, of the whole nation on a program which was shown on television last night, namely "The Open Grave." Had it not been for this service provided by the right hon. gentleman I know that I for one and, I have no doubt, many others would have missed what turned out to be a most excellent program; and I feel all hon. members and indeed the nation as a whole owe a debt of gratitude to the right hon. gentleman.

Mr. Eric A. Winkler (Grey-Bruce): I should like to ask the Secretary of State if he does not feel that this C.B.C. production was a mark of denigration reflecting on the devout followers of the Christian faith.

Some hon. Members: Oh, oh.

Hon. Maurice Lamontagne (Secretary of State): It is quite clear now that the program was not "a flagrant, scandalous and sacrilegious insult to the majority of Canadians" and that those who criticized the program without even having seen it acted, in my view, in a most irresponsible way; and that the government was very wise indeed not to interfere with the decision of the C.B.C.

Some hon. Members: Hear, hear.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): What I said the other day was that I had not seen the program, and no one else had; but I had the fullest information as to the nature of the program, and I am unchanged in the expression of the view that I made the other day, despite the self righteous words of the hon. gentleman.

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, may I put a supplementary question to the Secretary of State?

Is it true that, after having seen the videotape of the program "The Open Grave", the C.B.C. decided at the last moment to cut certain scenes from the play and to add others, with the result that there was a lack of continuity at certain times?

Mr. Lamontagne: Mr. Speaker, I do not know anything concerning the allegations of the hon. member. I shall inquire of the authorities of the C.B.C. and reply in due course.

[*Text*]

Mr. Reynold Rapp (Humboldt-Melfort-Tisdale): Could the Secretary of State inform the house whether the national religious advisory council to the C.B.C. saw a preview of the film "The Open Grave" before the decision was made to put the program on the air?

Mr. Lamontagne: This question was asked the other day. I have not yet received an answer from the C.B.C. with regard to it.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, if the Secretary of State is reporting to the C.B.C. the views expressed in parliament on this matter, will he include in that report the fact that many of us in this house would like to commend the corporation on the presentation of an allegory which some of us think will help people today to understand certain age-old forces.

Mr. Lamontagne: I will be glad indeed to do so.

Mr. Caron: Before we go ahead, I want to say that the public address system does not appear to be working.

An hon. Member: It is working now.

SHIPPING

HOWE SOUND, B.C.—OIL LEAKAGE FROM SUNKEN BARGE

On the orders of the day:

Mr. Grant Deachman (Vancouver Quadra): Mr. Speaker, I have a question for the Minister of Transport. Can the minister advise what steps his department is taking to investigate and deal with oil leakage from a barge which has sunk in the entrance to Howe sound, on the west coast, which may endanger—

Some hon. Members: Order paper.

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

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, normally I would quite agree with what was said opposite about the order paper, but I am told that this barge is sunk in Howe sound and affects the whole—

Mr. Knowles: Mr. Speaker, on a point of order, did you not say that this question should be on the order paper, and are you not the Speaker?

Mr. Starr: Whose barge is it?

Mr. Speaker: The hon. member is quite right; the Chair did say that this question should be put on the order paper, but I understand the minister rose on a question of urgency. If this question has to do with the blockage of shipping and navigation I think it is urgent.

Mr. Pickersgill: Mr. Speaker, I would not want to indicate to any hon. member that I was not perfectly willing to abide by the ruling of the Chair, and unless I have unanimous consent to give an answer to this question I shall take my seat.

Mr. Speaker: Does the house give unanimous consent to the minister?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Bell: Mr. Speaker, may I just say that the Minister of Transport does much better in the portfolio of prime minister than he does in his present one.

Mr. Pickersgill: Then I have unanimous consent—

Some hon. Members: No.

Mr. Pickersgill: All right.

Mr. Speaker: Order, please. If I understood the house correctly I think it did give unanimous consent to the Minister of Transport. Has the minister unanimous consent?

Some hon. Members: No.

Mr. Speaker: Then I call on the hon. member for Greenwood.

Mr. Deachman: On a question of privilege, Mr. Speaker, this is a matter of extreme urgency and deals with an oil leak which may immediately destroy wild life on the west coast, and tends to threaten tourist and recreational areas of considerable value. If immediate action is taken and the matter is dealt with it will prevent suffering to wildlife in the area and preserve a very valuable locality. I plead that the matter be dealt with now, and I submit it is urgent.

Mr. Speaker: I thank the hon. member for his statement, and I am quite sure the minister thoroughly understands the problem by now.

QUEBEC—BRIEF RESPECTING WINTER NAVIGATION ON ST. LAWRENCE

On the orders of the day:

[*Translation*]

Hon. Leon Balcer (Three Rivers): Mr. Speaker, I should like to put a question to the Minister of Transport. Could he tell the house whether he has received the brief of the office of metropolitan Quebec concerning winter navigation?

I did not send the minister notice of this question, but could he tell us whether he will be in a position after the Easter recess to report to the house on the suggestions made by that office concerning winter navigation, which would be beneficial not only for the St. Lawrence river, but for the whole country and would have very few prejudicial effects on Atlantic ports.

[*Text*]

Hon. J. W. Pickersgill (Minister of Transport): The hon. gentleman has opened up a very big question upon which I would not attempt to embark on orders of the day, and upon which he did not ask me to embark. I shall be glad to take the matter under consideration.

EXTERNAL AFFAIRS

CYPRUS—TERMS OF REFERENCE OF PEACE KEEPING FORCE

On the orders of the day:

Mr. Andrew Brewin (Greenwood): Mr. Speaker, in the absence of the Prime Minister and the Secretary of State for External Affairs I direct my question to the Minister of Transport. Can the minister make any statement to this house, either now or before the prospective adjournment, in regard to the reported statement of the Secretary of State for External Affairs that satisfactory conditions have been worked out in respect of the operations of the United Nations force in Cyprus?

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, I cannot do that, but I believe the Acting Secretary of State for External Affairs might be able to clarify this point.

Hon. C. M. Drury (Acting Secretary of State for External Affairs): Mr. Speaker, in answer to the question I might read a short statement on the current situation in Cyprus.

General Gyani, who has been designated by the secretary general as commander of the United Nations peace keeping force, has now arrived in Cyprus from Geneva. As has been reported in the press, the Secretary of State for External Affairs had an opportunity to hold detailed discussions with General Gyani in Geneva concerning the operational role which the peace keeping force will undertake on the island. We understand that the advance party of the Swedish contingent will arrive in Cyprus today, to be followed shortly by elements of the Finnish and Irish contingents. Consequently it is expected that the secretary general will inform the security council, possibly tomorrow, that the United Nations force has become operational.

Yesterday it was announced that the Finnish ambassador to Sweden, Sakari Tuomioja, has been named by the secretary general as United Nations mediator on Cyprus. The governments of Cyprus, Greece, Turkey and Great Britain have agreed to the nomination of Mr. Tuomioja, and after consultations with the United Nations secretariat in New York this week end he is expected to arrive in Cyprus the middle of next week.

Inquiries of the Ministry

With respect to the terms of reference under which Mr. Tuomioja will carry out his functions on Cyprus, these were broadly defined in the security council resolution adopted on March 4. The relevant portion of the resolution calling for the appointment of a mediator reads as follows:

> The security council recommends further that the secretary general designate, in agreement with the government of Cyprus and the governments of Greece, Turkey and the United Kingdom, a mediator, who shall use his best endeavours with representatives of the communities and also with the aforesaid four governments, for the purpose of promoting a peaceful solution and an agreed settlement of the problem confronting Cyprus, in accordance with the charter of the United Nations, having in mind the well-being of the people of Cyprus as a whole and the preservation of international peace and security. The mediator shall report periodically to the secretary general on his efforts.

Thus it is apparent that the mediator is to be directly responsible to the secretary general. As in the case of the United Nations force, any directives from the secretary general to the force commander and additional information concerning the terms of reference for the mediator may be expected to be made known to the countries contributing to the United Nations force. However, the secretary general has made it clear that he does not feel it is in the best interests of law and order on the island for promoting a peaceful solution to make public details of the terms of reference.

It is apparent that the presence of the Canadian contingent as part of the United Nations peace keeping force on Cyprus has had a calming effect on the island. It is hoped that this influence will continue after the United Nations force becomes operational and elements of this force replace certain British forces who have been keeping the peace throughout the island. With the presence of the United Nations force commander on Cyprus and the anticipated arrival of the mediator within a few days, the task of maintaining and restoring law and order will commence, which it is hoped will make it possible for discussions to begin on seeking ways and means of bringing about reconciliation between the two communities.

SOCIAL INSURANCE

INQUIRIES RESPECTING DISTRIBUTION OF APPLICATION CARDS

On the orders of the day:

Mr. Eric A. Winkler (Grey-Bruce): Mr. Speaker, I have a question for the Minister of Labour. Yesterday in the course of an answer to a question the minister said:

Inquiries of the Ministry

The obligation to register, or to apply for a social insurance number, applies to persons in insurable occupations normally covered under the Unemployment Insurance Act.

Does the application of this obligation apply also to the citizens of the province of Quebec?

Hon. A. J. MacEachen (Minister of Labour): Yes, Mr. Speaker. While I am on my feet may I answer a number of questions asked on this subject yesterday by the right hon. Leader of the Opposition and the hon. member for Winnipeg North Centre.

There has been no mailing of application forms directly to individuals, since the registration for social insurance numbers is being handled mainly through employers. Up to the present time I think almost two million social insurance number application forms have been sent to employers. These are being sent on a progressive basis to all employers who have employees who are either covered by unemployment insurance or who may become contributors to the proposed Canada pension plan.

Unemployment insurance legislation contains the only requirement for persons to register, but the government is soliciting the co-operation of employers in obtaining registration from the group not covered by unemployment insurance in order to facilitate the introduction of a proposed Canada pension plan. It is expected that employers and employees in the non-insured group will co-operate fully. This will obviously reduce the total cost of the operation and will eliminate in the future the necessity of approaching the many employers to twice register their working force.

In reply to the question by the hon. member for Winnipeg North Centre, persons who are now employed or are about to enter employment and wish to obtain a social insurance number can make the necessary arrangements by applying directly in person or by mail to their national employment office.

Mr. Stanley Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. Would it not be possible for some of these forms to be made available in post offices, to which many people find their way a little more readily than to the national employment offices?

Mr. MacEachen: I will be glad to have that suggestion considered by the commission, Mr. Speaker.

[*Later:*]

Mr. Knowles: Mr. Speaker, may I direct a question to the Minister of Labour with further reference to the matter of social insurance numbers, about which there were questions and answers a few minutes ago. In view of the fact that the Canadian Teachers Federation is urging its members not to fill out these forms because of what I think is a misunderstanding, because of the belief that this will enrol them in unemployment insurance, will the minister consider doing whatever public relations work is necessary so that this group of people, and there are many thousands of them across Canada, will understand what is being sought in this project?

Mr. MacEachen: Yes, Mr. Speaker, I shall undertake to have officers of the commission get in touch with the officials of this federation. It ought to be made clear that the seeking of social insurance numbers is quite a separate matter, and is not related in any way to the question of the extension of coverage of the unemployment insurance system, which I think is at the root of the concern expressed by the teachers.

HOUSING

REQUEST FOR EXTENSION OF WINTER CONSTRUCTION BONUS

On the orders of day:

Mr. M. J. Moreau (York-Scarborough): Mr. Speaker, I have a question for the Minister of Labour. In view of recent representations from many people in the house building industry regarding the extension of the $500 winter building bonus, I wonder whether the minister has anything to report to the house or whether he has reached any decision on this matter.

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, questions along this line have been asked by the hon. member for Ontario and the hon. member for Longueuil. I wish to advise the house that I have directed that final inspections under the winter house building program will take place on April 15 rather than March 31 as previously planned. While most housing units under the program will be substantially completed by March 31, the success of the program itself makes necessary this delay in inspections. Almost 35,000 housing units have qualified under the program, which has led to an unusual pressure on labour and materials as this substantial volume of housing reached the final stages.

It would not be the wish of the government to deny the incentive payment on the grounds of shortages arising from the success of the program itself. We think this change in the final inspection date will afford substantial relief, but I would like to emphasize in this connection that the government does not intend to postpone the final inspection date beyond April 15, and for that reason builders and others ought to make haste in completing these dwellings.

Hon. J. W. Monteith (Perth): A supplementary question, Mr. Speaker. I am assuming that the minister, in arriving at the decision to extend the final inspection date from March 31 to April 15, has had some estimate of the additional cost to the government. I wonder whether he could give us that estimate.

Mr. MacEachen: Certainly, Mr. Speaker, there will be an additional cost caused by the extension of the deadline, but in my judgment it will not exceed the estimate that was given to cover this program, which is in the amount of $20 million. I think the ultimate cost will be less than that estimate.

Mr. Monteith: Could the minister not give the difference in cost as between a March 31 inspection date and one on April 15? Could he not tell us the actual difference, and not whether it comes within the estimate?

Mr. MacEachen: Mr. Speaker, my hon. friend will appreciate the difficulty of giving a precise figure or even an estimate of the change in cost, because it would require an examination at the end of March, on an individual basis, of all the dwelling units that had not reached the completion stage; and that has not been undertaken, for the reasons I mentioned.

Mr. Monteith: I only asked the minister the question, Mr. Speaker, because I assumed the government would have some idea of what would be the additional cost.

Mr. G. L. Chatterton (Esquimalt-Saanich): A supplementary question, Mr. Speaker. Does the minister's statement mean that any work carried out between March 31 and April 15 will count toward eligibility for this bonus? The minister merely said that the inspection date will be deferred. Does this mean that work completed during those 15 days will count toward the bonus?

Mr. MacEachen: Mr. Speaker, the extension of the inspection date will have the effect of allowing builders to continue working and to complete their houses to further stages.

Mr. J. E. Pascoe (Moose Jaw-Lake Centre): I have a supplementary question for the Minister of Labour. Can the minister inform the house whether the 8 per cent tax on building materials and production equipment will also be delayed until April 15?

Mr. Grafftey: In one pocket, out of the other.

Inquiries of the Ministry

WORLD FAIR

STATEMENT ON USE OF SYMBOL DELETED BY PARLIAMENT FROM BILL

On the orders of the day:

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, the Prime Minister promised last Tuesday that he would make inquiries and reply to questions that had been raised about the emblem for the world exhibition. The Prime Minister has made these inquiries and has asked me to say that the corporation has made the following explanation.

First, the question of the emblem has been on the agenda of the board of directors since March 19, 1963. The emblem which was confirmed on March 13, 1964 had first been adopted by the board at a meeting held on August 12, 1963, under the chairmanship of the previous commissioner general, Mr. Bienvenu. The corporation registered its copyright in the emblem with the copyright office in Ottawa as early as August 28, 1963.

Second, the choice of the emblem is the responsibility of the board of directors. When the emblem was originally adopted, the board instructed the management to seek maximum legal protection for it in respect of both copyright and trade mark. As existing legislation in these fields could not provide the corporation with the full protection it needed, an amendment to this effect to the incorporating act was requested. Obviously the purpose of the amendment was not to seek the approval of parliament for the emblem itself, but rather to obtain the additional legal protection for it that was considered necessary. I might add that the government, for its part, has never assumed that it had any responsibility for the choice of the emblem itself.

Third, the amendment finally adopted by the house states that "any symbol adopted by the corporation not later than December 31, 1964, is hereby declared to be the official symbol of the exhibition, as of the date of its publication in the Canada Gazette". The board of directors has interpreted this provision as allowing it, after giving due consideration to the views which were expressed in the house on December 20, 1963, to confirm the emblem if, in its best judgment, the board continued to regard it as the most suitable one.

Fourth, the board has made every effort to secure the best artistic advice available, both before the original adoption of the emblem on August 12, 1963 and before its confirmation on March 13, 1964. As a result of the criticisms made in the house early in January, the corporation established a subcommittee of its fine arts committee to re-examine the whole problem of the emblem. The subcommittee

was under the chairmanship of Mr. Evan H. Turner and consisted of Mrs. Baillargeon of Montreal, Mr. Paul Arthur of Ottawa and Mr. J. C. Parkin of Toronto. The subcommittee held a number of meetings and reviewed all the symbols previously submitted to the corporation. It came to the unanimous conclusion that the design created by Mr. Julien Hebert was the most successful.

Fifth, the board, on the suggestion of the subcommittee, gave consideration to the advisability of holding a national competition to be conducted on a professional basis to select a new symbol. Since 184 different symbols had already been considered by the corporation, the board came to the view that a national competition was not likely to produce a symbol that would receive a greater measure of general support or would be less exposed to criticism than the present one.

Finally, the corporation has already received well over 100 requests from individuals or firms to be licensed for the immediate use of the symbol of the exhibition for commercial purposes, with offers of royalties in favour of the corporation. These offers have had to be withheld pending a definitive decision on the emblem, with a consequent loss of appreciable revenues to the corporation.

These are the reasons which have led the corporation to confirm the symbol. It is very understandable that members who dislike the symbol should feel impelled to express their disappointment in the corporation's decision. It seems to me, however, and to the Prime Minister that the assertion that the corporation's action constitutes an affront to the rights of parliament is, in the circumstances, a matter of subjective judgment.

In view of the decision taken by the house last December, which protected any symbol rather than a particular one, and notwithstanding the condemnation of a particular symbol by many members at that time, the directors acted within the powers conferred on them in confirming their earlier decision.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, in view of the length of this statement I am sure there should be a right to comment on it. All I can say is that the House of Commons acted unanimously—

Some hon. Members: No.

Mr. Diefenbaker: Unanimously.

Some hon. Members: No.

Mr. Diefenbaker. Some of you who are saying "no" were not even here. Unanimously.

Some hon. Members: No.

Mr. Diefenbaker: —and the amendment passed was drafted by the Minister of Justice after discussion in large part with me and other members of the house. I am going to say no more than that these corporations which secure their funds from parliament, as this corporation does on such a tremendous scale, will require review by parliament; because certain crown corporations that use parliament's money indiscriminately and act as they choose should receive the fullest scrutiny by a committee of the House of Commons.

[Mr. Sharp.]

DOMINION-PROVINCIAL CONFERENCE

INQUIRY AS TO MEMBERSHIP OF FEDERAL DELEGATION

On the orders of the day:

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, I should like to direct a question to the Acting Prime Minister. Can he inform the house which members of the government, in addition to the Prime Minister, will compose the federal delegation to the forthcoming federal-provincial conference in Quebec?

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, I do not have that information under my hand at the moment. If, as is expected, we complete our business today I will endeavour to get the information and make it available before the end of the day.

[*Translation*]

Mr. Raymond Langlois (Megantic): Mr. Speaker, may I ask the Minister without Portfolio a supplementary question?

Can the minister tell us whether he will take part in that federal-provincial conference with the Hon. Rene Levesque?

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, may I ask the minister a supplementary question?

May I ask him whether federal ministers who are going to Quebec will be accompanied by the R.C.M.P.?

[*Text*]

Mr. Pickersgill: Mr. Speaker, I think we in the government of Canada have the view that the government of Quebec is perfectly able to administer justice in that province, just as other governments are, though there might be some doubt expressed about that in some particular instances.

POWER

PEACE RIVER—APPLICATION FOR CONSTRUCTION OF DAM

On the orders of the day:

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a question for the Minister of Public Works. I gave him notice yesterday, but I think the question is still current today.

Has any application been made by or on behalf of the British Columbia government under the Navigable Waters Protection Act for approval of construction of the Peace river dam?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, it is true that notice of this question was given to me yesterday. Unfortunately I did not have time to check the information, but as far as I can recall there has been no application.

Mr. Baldwin: A supplementary question, Mr. Speaker. If the minister's assumption is correct, and I understand it is, as the minister responsible under the act will he advise the house if the government acquiesces in the continuing breach of a federal statute by a provincial government?

Mr. Deschatelets: I will look into this matter, Mr. Speaker.

FISHERIES

REPORTED SKINNING OF YOUNG SEALS WHILE ALIVE

On the orders of the day:

Mr. Heath Macquarrie (Queens): Mr. Speaker, I have a question for the Minister of Fisheries with regard to seal hunting in the gulf of St. Lawrence. Can he now enlighten the house in respect of the continuing disturbing reports, especially from the society for the prevention of cruelty to animals, to the effect that young seals are being skinned alive?

Hon. H. J. Robichaud (Minister of Fisheries): Mr. Speaker, I have already made a statement in the house on this particular problem. As I said before, the matter is under very serious consideration by my department, and it is expected that before the opening of the hunting season next year we will have regulations to take care of the situation.

COMBINES

OTTAWA—ALLEGED CONSPIRACY TO FIX PRICES

On the orders of the day:

Mr. Frank Howard (Skeena): I wonder if I may direct a question to the Minister of Justice, Mr. Speaker, and ask him whether he has seen news reports—I saw one in the Ottawa *Citizen*—to the effect that an allegation has been made concerning a price fixing conspiracy in connection with certain commercial activities in the market area of Ottawa? Will his department investigate these allegations?

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

Inquiries of the Ministry

TRANS-CANADA HIGHWAY

MONTREAL—INQUIRY AS TO DATE OF COMPLETION

[*Translation*]

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I wish to ask the Minister of Public Works a question of which I sent him notice. Can he tell the house whether the final layout of the trans-Canada highway on Montreal island is ready and whether the highway will be completed for 1967?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, it was reported in the press yesterday that as far as the western part of the layout is concerned, plans had been submitted and the site had been approved.

I think that east of Frontenac street the layout has not yet been set and I do not think that this last section will be ready for 1967.

The essential section for the world fair will be ready for 1967.

[*Text*]

CANADIAN NATIONAL RAILWAYS

REPRESENTATIONS RESPECTING AMENDMENTS TO PENSION PLAN

On the orders of the day:

Mr. S. J. Enns (Portage-Neepawa): I should like to direct a question to the Minister of Transport. I am advised that numerous representations have been received from non-operating employees of the Canadian National Railways in respect of certain amendments to the Canadian National pension plan. Will the minister convey to the Canadian National management the substance of such representations?

Hon. J. W. Pickersgill (Minister of Transport): I shall be glad to do that, sir.

CROWN ASSETS

VANCOUVER—DISPOSAL OF SITE OF R.C.A.F. STATION KITSILANO

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): May I ask what may be called a double-barrelled question of the Minister of Northern Affairs and National Resources. It is a matter of urgency. It is my understanding that the Department of National Defence, within three days, is officially turning over to Crown Assets Disposal Corporation the Kitsilano R.C.A.F. area land. It is also my understanding that the minister, one other minister and the Liberal member for Vancouver-Burrard, are meeting with the mayor

and city council and parks board at three o'clock this afternoon, Vancouver time. Is the minister in a position to inform us as to the government's stand with regard to this most important area of Vancouver?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): I will reply to this question only because I am the minister resident in the city of Vancouver. It had been our intention that the Postmaster General and I and the hon. member for Vancouver-Burrard would meet city council this afternoon. However, we have been grounded. I think this afternoon the Postmaster General will be meeting the city council and listen to their representations in respect of the allocation of that property, which has been the selection of the C.B.C. and various other departments. I think he will hear representations from the city of Vancouver and convey them to the government, and a policy decision will be taken in respect of the disposition of the property.

[*Later:*]

Mr. Winch: Mr. Speaker, may I direct a short question to the Minister of National Defence. In view of the fact that in three days the R.C.A.F. Kitsilano plant is being transferred to the Crown Assets Disposal Corporation may I ask the minister what disposition he has made of the letter which I understand he and the Prime Minister received a week ago from the Kitsilano Indian band, to the effect that during the last war they were misled and defrauded, and therefore claim ownership of this area?

Hon. Lucien Cardin (Associate Minister of National Defence): I think I should advise the hon. member that the Kitsilano property has already been transferred to the Crown Assets Corporation as, I think, of March 16.

Mr. Winch: What has happened to the letter which the hon. gentleman received from the chief of the band claiming ownership? I refer to the letter which was sent to the hon. gentleman's department.

Mr. Cardin: That letter was looked into. According to our records there is no claim that can be justified.

NORTHERN AFFAIRS

DELIVERY OF HOUSING MATERIAL FOR ESKIMOS

On the orders of the day:

Mr. R. W. Prittie (Burnaby-Richmond): I should like to direct a question to the minister of northern affairs, and ask him if he is aware of the allegation that he gave the house false information which is made in a column in the Ottawa *Journal* of March 25, written by Gordon Dewar. The allegation carries the name of the hon. member for Edmonton-Strathcona and is concerned with shipping charges on 140 prefabricated houses, about which it is alleged the minister gave false information to the house. I did not think we should recess before the minister had an opportunity of replying to this charge.

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): I am delighted to have this opportunity of replying to the accusation that I gave false information to the house. The hon. gentleman knew that the Easter recess was at hand and he would have no other opportunity of gaining publicity, so he went down to the press rather than make his charges in the house. He may have an opportunity of making two exposures.

I gave this information, which had been supplied to me by my officers, in respect of freight by truck from Grimshaw to Hay River. I could only give the information on the basis of the information given to me by my officers, who used the only published tariff available. Now, all of us have had the experience that you can go to private truckers at times and get special rates. I contend I was fully justified in giving the published tariff rate. I want to assure hon. members that we have now asked for a requotation on the laid down basis in Hay River, and we will see if we have an opportunity to use the splendid rate which the hon. member says is available to us. If it is, we will certainly use it. I may remind him, and he will agree with me, that at the end of this year the whole problem will become completely academic, because the railway will be completed at that time and of course shipments to the mouth of the Mackenzie will be handled via Hay River.

Mr. Terry Nugent (Edmonton-Strathcona): I rise on a question of privilege, Mr. Speaker, since my name was brought into this. I assure the minister that the only reason I have not made a speech in this house long before this is that I have not had the opportunity. If the supplementary estimates had been brought forward earlier, I would have had a chance to make this speech if we had reached his department. I have been waiting since March 10, when he gave this most evasive and incorrect answer. I did not think I should bring it up as a question of privilege, and I have been waiting eagerly to make a speech in this house.

QUEBEC—ADMINISTRATION OF ESKIMO AFFAIRS

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, may I direct a question to the minister of northern

affairs. Will he inform the house whether the government has now abandoned the idea of turning jurisdiction over the Eskimos in Quebec over to the province of Quebec?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, there is no change in the situation whatsoever.

Mr. Nielsen: As a supplementary question, in view of the minister's answer and since the agreement was made between the province and the federal government on February 29 to set up a consultative commission, could he inform the house whether there have been any subsequent meetings regarding the setting up of that commission and, if not, when does he expect the commission to be set up?

Mr. Laing: Mr. Speaker, I think that question was asked yesterday and I said no. The answer would be the same today. The commission has not been set up. The first matter that will have to be discussed is the implication of the financial arrangements. That is a matter between the two governments, and that has not been discussed as yet.

Mr. Nielsen: I asked the minister in my supplementary question whether there have been any meetings subsequent to February 29 with respect to the setting up of the commission.

Mr. Laing: No, there have been conversations but no meetings.

VETERANS AFFAIRS

POSSIBLE TRANSFER OF HOSPITALS FROM FEDERAL CONTROL

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): I should like to ask the Minister of Veterans Affairs if he has now given an answer to the Royal Canadian Legion, who requested that he discontinue immediately all action on the proposed handover of D.V.A. treatment facilities to other levels of government. What is that answer?

Hon. Roger Teillet (Minister of Veterans Affairs): I have not yet replied to the letter.

Mr. Churchill: Will the minister give an assurance to this house that no hospital under the control of the veterans affairs department will be transferred to other authorities until the matter has been discussed and approved by parliament?

Mr. Teillet: This is quite an involved question. I do not know that I can reply to that directly. My impression is that I answered that question the other day. I said that the government would have to take a decision on it.

Mr. Churchill: My question was simply this. Will the minister give an assurance to the house that he will not transfer any hospital under the control of the Department of Veterans Affairs without the approval of this house?

Mr. Teillet: I believe I have answered that question.

Mr. Monteith: Nothing of the sort.

Mr. Churchill: On a question of privilege, Mr. Speaker, this is a shameful affront to parliament when ministers—

Some hon. Members: Order.

Mr. Churchill: My question of privilege is the failure of ministers of the crown to answer questions, and answer them distinctly, clearly and honestly. This is false for the minister to say he answered the question the other day. He has not answered the question because it has not been asked before, and I request an honest answer from the Minister of Veterans Affairs.

Mr. Teillet: I was asked this question the other day as to whether I would submit this to the house, and I simply answered that the government would have to take its decision. Parliament, of course, passes upon government decisions, and in that sense of course it will come before parliament. Parliament is always free to decide on a government decision; but as to submitting the matter and debating it before parliament in each instance, I think the hon. gentleman will realize this is an impossible thing to do because it would require or may require 11 or 12 different submissions to cover each instance.

Mr. Churchill: I take it we now have the assurance of the minister that he intends to transfer the veterans hospitals to other authorities. Is that correct?

Mr. Teillet: The statement I made in the house the other day was, I think, quite clear and I do not intend to pursue this matter further. I do not think I can supply an answer to my hon. friend because he won't accept it.

Mr. Peters: That is a fine attitude to take.

Mr. Churchill: The divine right to rule.

Mr. Pigeon: The same old bunch.

LABOUR CONDITIONS

ELLIOT LAKE, ONT.—STEPS TO DEAL WITH UNEMPLOYMENT

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I have a not very contentious question for the

Minister of Labour. A month ago a large delegation from Elliot Lake was here and received undertakings from the minister and the Prime Minister regarding certain steps which the minister's department would take. I would like to ask why these undertakings have been delayed and why officials, whether they be provincial or federal, have not taken action with regard to the retraining proposals and the examination of the unemployed or those about to become unemployed in Elliot Lake.

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, we did discuss with the representatives from Elliot Lake possible training courses and other measures that might be taken to meet future problems in the area, but the difficulty under which we are labouring is that the companies involved have not yet, according to my information, made any clear statement as to their intentions.

In a situation of that kind, action taken at this stage by the department or the national employment service might prove to be more disruptive than helpful. That is the only consideration that has delayed any follow-up to the representations made.

Mr. Fisher: As a supplementary question, what explanation is there for the companies' delay, in view of the fact that so far as we know they are on public record indicating when they are going to close up shop or reduce their operations?

Mr. MacEachen: No, Mr. Speaker, I understand it is not that clear that the employment prospects of the men affected have been so indicated by the company. Until that is done, a venture into the area by the national employment service might create more difficulty than provide assistance. We want to help, but we want to do it in circumstances that will be truly helpful.

Mr. Raymond Langlois (Megantic): Mr. Speaker, I have a supplementary question for the minister concerning the workers in the asbestos mines at Thetford Mines and Black Lake. Will the minister consider taking the same steps for that region as the steps to be taken at Elliot Lake?

Mr. MacEachen: Yes, Mr. Speaker, in connection with those mines we would be glad to consider any proposals in the way of training or replacement, in co-operation with the local authorities, the employers, and the unions in question.

POST OFFICE DEPARTMENT

REPORTED STATEMENT BY MEMBER FOR NORTHUMBERLAND

On the orders of the day:

[Mr. Fisher.]

Mr. G. D. Clancy (Yorkton): Mr. Speaker, may I direct a question to the Postmaster General and ask him if the hon. member for Northumberland (Miss Jewett) was expressing government policy when she made the statement that rural routes and post offices were now the prerogatives of the presidents of the Liberal associations in the constituencies; or has there been any change?

Miss Pauline Jewett (Northumberland): On a question of privilege, Mr. Speaker, I did not make that statement.

INDIAN AFFAIRS

BURNS LAKE, B.C. RESERVE—CORRECTION OF STATEMENT RESPECTING PRODUCTION OF PAPERS

On the orders of the day:

Mr. Hubert Badanai (Parliamentary Secretary to Minister of Citizenship and Immigration): Mr. Speaker, I wish to correct an answer I gave yesterday to the hon. member for Skeena on motion No. 62 for the production of papers. I said I would ask the hon. member to be good enough to withdraw the motion inasmuch as there was no correspondence. I should have said that there was correspondence but in view of the extent of the file, which is an extensive one, dating from 1954 to December 1962, that I would ask the hon. member to withdraw the motion for the time being.

Mr. Frank Howard (Skeena): Mr. Speaker, with respect to the question of privilege may I thank the parliamentary secretary for the qualification and say that his statement today is precisely what we discussed about a week and a half ago. I had assumed when I withdrew the motion yesterday that there was in fact no correspondence, but in any event I had agreed beforehand to withdraw it on the basis that it covered an extended period of time.

SUPPLY

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

INTERIM SUPPLY

Mr. Gordon moved:

Resolved, that a sum not exceeding $684,120,260.18, being the aggregate of:

(a) Two-twelfths of the total of the items set forth in the main estimates for the fiscal year ending 31st March, 1965 laid before the House of Commons at the present session of parliament, $658,598,418.50;

(b) an additional five-twelfths of the amount of external affairs item 20 of the said main estimates, $402,291.67;

(c) an additional four-twelfths of the amount of atomic energy item 5 of the said main estimates, $416,666.67;

(d) an additional three-twelfths of the amount of national research council item 10 of the said main estimates, $5,838,000.00;

(e) an additional two-twelfths of the amount of fisheries item 15, legislation item 20, mines and technical surveys item 25 and transport item 95, of the said main estimates, $6,661,116.67;

(f) an additional one-twelfth of the amount of finance item 25, labour item 30, legislation item 5, mines and technical surveys items 10, 15, 45, 50 and 60, national revenue item 5, northern affairs and national resources item 1, trade and commerce item 15, of the said main estimates, $12,203,766.67, be granted to Her Majesty on account of the fiscal year ending 31st March, 1965.

The Deputy Chairman: Shall the resolution carry?

[*Translation*]

Mr. Martineau: Mr. Chairman, I should like to refer briefly to the problem raised yesterday by the hon. member for the Northwest Territories (Mr. Rheaume).

In the second report it submitted in 1961, the joint committee on Indian affairs recommended that negotiations be undertaken between the federal government and the provinces for the eventual transfer of certain Eskimo affairs to the provinces. The committee also set out the standards which should be adopted in the future if such a transfer ever became a reality. It further stated that this action should be agreeable to the Indian population and, in the case with which we are concerned, to the Eskimo population, the provinces and the central government.

The matters in question come fundamentally, in my opinion, under the provincial jurisdiction, for instance, education and the development of human resources, under which falls the question of schools and education for the Eskimos. As a matter of fact, schools coming under the provincial jurisdiction were mentioned, as well as health and social welfare.

Mr. Chairman, one must realize that the present talks deal exclusively with an administrative transfer. It is not, and it is good to remember that, a legal or constitutional transfer because, in my opinion, such a transfer, as stated the other day by the Leader of the Opposition (Mr. Diefenbaker), could not be made legally or constitutionally except through an amendment to the British North America Act.

It will be remembered that in 1912, by virtue of chapter 45 of the statutes of Canada, the federal government yielded to the province of Quebec its jurisdiction over the vast area known as New Quebec, Ungava and Rupert's Land, including the area of the Great Whale river. On the other hand, jurisdiction over the Indians living in these areas remained with Ottawa. This situation was confirmed in 1939 by the Supreme Court of Canada, when it was asked by the federal government to determine which of the federal or the provincial governments should have jurisdiction in the matter.

In that judgment the supreme court held that, for jurisdiction purposes, Eskimos were on the same footing as Indians, and came under federal jurisdiction by virtue of section 91, paragraph 24, of the British North America Act, which gives the federal government authority on Indian affairs and the land reserved for them.

However, in order to satisfy the desire expressed in the report of the joint committee on Indian affairs, discussions had been instituted between the federal and provincial authorities, and I submit that those conversations—if they have any meaning, at all—have been instituted in order to give the province of Quebec the right to exercise a legitimate jurisdiction in a field for which it is responsible, over people living in a part of its territory.

Now, this being said, the committee must ask itself what standards any possible agreement will have to follow. First of all, such an agreement must take place, but up to now, and this has been somewhat confirmed by what the Minister of Northern Affairs and National Resources (Mr. Laing) said this morning, it seems that the discussions with regard to the agreement have dragged on.

There is no doubt about that, for the minister said that since February 29, not a single meeting was held between the federal and provincial authorities to discuss the matter.

That is why we must respect the wishes of those people and first think of their interest when a solution is adopted.

Mr. Chairman, I feel that Quebec will want to preserve in its entirety the culture, the language and all the human values which the Eskimos represent for Quebec and Canada.

I must tell you that the Eskimos themselves are aware of their contribution to Canadian culture and, on other hand, of the fact that they are members of the great human race. That is why they like to call themselves "Inutuinaq" which, in their language, means "man".

It is at this higher level that we must consider the problem.

The minister said vaguely that there had been discussions, but this boils down to very little and, in any case, would have no bearing on the final solution of that problem.

Another rule, which was said to be essential, must be followed. And it meets the views of the committee. It is that the Eskimos should be consulted on their own destiny. I completely agree that those people, citizens of our country, who were among the very first

inhabitants of our continent, have the right to be consulted and that, in a very effective manner, as to the steps to be taken concerning them.

I say this because, on the one hand, the Eskimos already have the right to vote in a federal election and they exercise that right in a proportion of 80 per cent of their eligibility. Besides, it is an admitted right of any nation or of any group of individuals to determine their own system or way of life.

We all know that this right to self-determination is recognized by the United Nations charter and must apply to any nation. That right is recognized by the Canadian Bill of Rights which was passed by this parliament, and also by the United Nations universal declaration on human rights.

In short, I am convinced that for those who live in the province of Quebec, the right of self-determination cannot be questioned. If there is a group in this country which should keep that right for itself and all the others, it is the people of the province of Quebec.

I therefore think that any federal-provincial agreement should consider the wishes of the Eskimos themselves.

Finally, I submit that the sovereignty of this parliament should be taken into account. To my mind, the final decision in this transfer of jurisdiction should be ratified by the federal parliament, in the same way, I suppose, as the agreement will be submitted to the Quebec legislature.

Finally, the problem and its solution should be integrated into the larger issue of an eventual transfer of jurisdiction over all Indians—a much wider problem of a constitutional nature, which concerns not only the federal authorities and the province of Quebec, but also most, if not all, other provinces in this country.

Therefore, we, on this side of the house, would like to have from the Minister of Northern Affairs and National Resources (Mr. Laing) as well as from the Minister of Justice (Mr. Favreau) a clear and straightforward statement with regard to that agreement as well as to the demands of the federal government in its talks and negotiations with the province of Quebec.

So far, no clearcut statements have been made either by the minister of northern affairs or the Minister of Justice, not to mention the Prime Minister himself, on this matter. It would appear, judging by the replies given to the many questions raised about that on this side of the house, that there is a rather wide difference of opinion between the two ministers chiefly concerned, the Minister of Northern Affairs and National Resources on one side and the Minister of Justice on the other.

[Mr. Martineau.]

That would naturally indicate the existence of more serious difficulties which could raise doubts as to the solidarity or the unity of views that the cabinet ought to show concerning any question, but especially the one now before us.

This is why I ask either the Prime Minister or the Minister of Northern Affairs and National Resources, provided that the latter makes it clear that he is speaking on behalf of the cabinet as he should normally do, to set forth the guiding principles under which the transfer will take place.

As for myself, Mr. Chairman, while I am not personally acquainted with the Eskimo, as the member for Northwest Territories (Mr. Rheaume) who spoke yesterday, since I did not have the opportunity of travelling in those areas or living with Eskimos, I feel that the advantages of an administrative transfer to the province of Quebec are unquestionable; they are completely evident and obvious to everyone, and for the following reasons.

First, the matters to be transferred come essentially under provincial jurisdiction, such as education, health; those are matters of local interest in an area entirely located within the territory of the province of Quebec.

On the other hand, I am inclined to believe that once the transfer is effected, it would not be impossible that the province of Quebec would set up constituencies for those people, thus giving them full franchise. I would even consider the possibility that they could elect to the legislature a representative of Eskimo extraction. It is not impossible either that such a representative should also be elected to the federal parliament.

Mr. Chairman, we are faced with what is primarily a human problem, namely the disposal of human beings which are part of an alert people gifted with a sharp mind and artistic talents, who have, in fact, created an art of their own which is recognized throughout the world. These people have shown and continue to show that they are the depositaries of a native culture which is theirs alone and which substantially adds to our Canadian culture.

Mr. Chairman, let us respect the wish of the Eskimos. Let us respect their deep desire to remain themselves and let there be, before any final decision is taken, consultation absolutely free of pressure.

I think that in this perspective it would be normal that the Eskimos chose to be administered by the authorities of the province in which they live, that is the province of Quebec. Personally, I am sure that that government will preserve intact the value which the Eskimo people represent to the whole of Canada.

[*Text*]

Mr. Laing: Mr. Chairman, I should like to commend the hon. member for a moderate and very sensible speech on this subject. Did I understand the hon. member to say that he saw the eventual transfer of all Indian peoples to the provinces as natural and inevitable?

Mr. Martineau: No, Mr. Chairman, I did not say that. I simply stated that the solution of the Eskimo problem should also take into consideration the fact that there will be at some future date—as was recommended by the joint committee on Indian affairs of 1961—a meeting of a federal-provincial nature to discuss the eventual transfer of Indians within the provinces to the jurisdiction of the respective provinces.

Mr. Brewin: Mr. Chairman, I recognize the importance of the subject discussed by the hon. member for Northwest Territories and the hon. member for Pontiac-Temiscamingue who has just spoken. However, I wish to raise another matter, as briefly as I can, which—

Mr. Nielsen: Mr. Chairman, may I raise a point of order, with the hon. member's permission. I believe it is the practice of the house that when dealing with a supply motion subsequent speakers must speak on subjects relevant to the matter raised by the initial speaker. My point of order, if I may be allowed to put it before you rule on it, Mr. Chairman, is that I believe subsequent speakers on this interim supply motion must be relevant in their remarks to the subject matter raised by the initial speaker in the debate. I believe that the rules make provision for this.

Mr. Howard: If I may comment on the point of order, Mr. Chairman, particularly in view of the fact that I sat here and listened attentively to the hon. member for Northwest Territories, the hon. member for Pontiac-Temiscamingue and the minister and wanted myself to participate in the debate on precisely the same subject matter, namely our native and Eskimo peoples, in my submission the point of order raised by the hon. member for Yukon would be applicable on a Tuesday evening, with Mr. Speaker in the chair, when we had concluded a vote on a supply motion and were then in the field loosely referred to as discussing a grievance. In that case anyone who wants to speak on the grievance must follow that subject, and one cannot bring in a new subject until the particular grievance under discussion has been exhausted. But that rule does not apply in committee of the whole on interim supply. I submit that the hon. member for Greenwood—even though I want to take part in the debate on the Eskimo people—has a perfect liberty and right to debate what he wants to debate on this interim supply motion.

Mr. Baldwin: Mr. Chairman, may I comment on the point of order raised, because academically and practically it is a very interesting problem and a very material one. I think the hon. member for Skeena is quite right, and that when Mr. Speaker is in the chair, after we have concluded the vote on the last amendment and some period of time has elapsed, a grievance, by long tradition, may be raised. It has been the custom in the house, so far as I can recall, that such a grievance should be debated to its conclusion and that all subsequent speakers should discuss matters which are relevant to the grievance. I do not think this is to be found in our standing orders. I think that, like many of our customs and practices, it has been built up and accepted over a very long period of time.

My submission, in support of the hon. member for Yukon—and I think it is very advisable to have a ruling on this matter—is that we must relate the rules which are applied in the house to committee of the whole. I think it is a general practice that where a rule has been established and is applicable in the house when Mr. Speaker is in the chair, it naturally follows that the same rule applies, and the same practice, when we are in committee of the whole. For these reasons, Mr. Chairman, in an academic way I wish to support the views put forward by the hon. member for Yukon.

The Deputy Chairman: Order. I think it is the usual custom, after debate on a supply motion, to raise grievances, and in order to facilitate some order of business it has been generally accepted by the house that the grievance raised by the first speaker shall be continued as long as there are members in the house who wish to speak on that particular topic. But that is not the position in which we now find ourselves. We now find ourselves in committee of the whole in the course of a general debate on a motion for interim supply. The different parties in the house will have their turn to speak, but I know nothing in the rules which says that the chairman must indicate to any member of any party that he must make his remarks relevant to the subject of a previous speech. While I say that to the hon. member for Yukon, I must also say that to my mind this is a new interpretation of the rules; and while I would say at the moment that the rule does not apply in this case, as it does after a supply motion, I will consider this particular

matter. However, I doubt that it applies at the moment. The hon. member for Greenwood.

Mr. Brewin: Mr. Chairman, I can assure the committee that before I decided to speak on this matter I did consider the question of the rules, and I would have hesitated to interrupt a discussion of such an important matter as we have been discussing did I not think that the matter which I proposed to raise was one of considerable urgency and that the opportunities to raise it were relatively limited. For this reason I propose to raise it now.

The subject I want to discuss at this moment and call to the attention of the government is, as I have said, in my view a matter of grave urgency, not only to my own constituents and to all constituents of the metropolitan area of Toronto but to very many people outside that area. I refer to the acute crisis caused by the lack of hospital beds in that area and the degree of responsibility which I believe falls upon this government to assist in remedying that situation. The existence and gravity of this crisis has been fully documented in the press. A report of a special committee of the Ontario hospital services commission estimated the need for hospital beds in that area at 2,360. Two of the hospitals in Toronto, out of three, have no emergency beds even for those who are in danger of dying. It takes from three weeks to two months at least to find accomodation for painful illnesses such as hernia and gallstones.

I have in front of me a news story which appeared in the Toronto daily *Star* of yesterday under the following heading, "Babies' lives at stake in hospital bed crisis—M.D." I read a brief extract from this report:

> Metro's critical hospital bed shortage is risking children's lives.
>
> This is the warning of Dr. Harvey Agnew, director of a study sponsored by the Ontario hospital services commission.

Dr. Agnew, in case hon. members of this house do not know this, is no person to speak lightly. He retired in 1961 as head of hospital administration of the University of Toronto. This is what the report says:

> He said—

This is referring to Dr. Agnew:

> —the acute shortage of suburban hospital beds for children endangers the lives of emergency and some newborn cases.
>
> Hospital officials and doctors agreed the "situation is serious and additional beds in fairly substantial numbers must be provided shortly", he said.

I do not intend to go on and recount to the committee the numerous illustrations of this urgent need. I could do that at length but, as I have said, they have been fully brought out in the press. This is a problem which is particularly serious for older people in that many of them who are suffering from serious illness and should be in hospital are kept waiting two or three months before they can get a hospital bed.

The matter has reached the stage that the provincial government—in this particular field I would say that the federal government is the junior partner—has been accused of fraud in accepting money for hospital services which they are not in a position to provide after receiving the money for them. This matter has been under consideration by the federal government since October or November of last year. At that time the executive of the metropolitan council made representations to the Minister of National Health and Welfare and other ministers, including the Minister of Finance whom I am glad to see in the house at this moment. In these representations it was urged that the federal government should, in line with the increased grants already made by the provincial government and those made by the metropolitan area government, increase its present grant of $2,000 per bed. In fact, if I recall aright, I think it was suggested that the federal government should double its grant. The grant of $2,000 for hospital bed construction has not been increased in over a decade with the result that the level of federal grants has not kept pace with rising costs.

On the 3rd of December last year, I believe, I questioned the Minister of National Health and Welfare as to what reply she was going to give to the request of the executive of the metropolitan council in this matter. She said then that the matter was under active consideration. My colleague, the hon. member for Danforth, and myself have continued to question the minister and latterly the Prime Minister with regard to what decision the government has reached on this matter. So far we have had no definite answer. We are still told that the matter is under active consideration.

In my respectful view, Mr. Chairman, this is not merely a local matter. People from all over the province of Ontario and, indeed, from outside the province of Ontario avail themselves of the services of these hospitals. Nor is it merely an economic matter. There is a moral obligation of leadership upon the federal government. It is perfectly true that under our constitution the provision of hospitals is essentially a provincial responsibility, but the federal government in the past has recognized its share of responsibility and the necessity for giving leadership in this field.

I want to touch on a political note in this regard. In the last federal election the Liberal party, as is well known, swept the metropolitan area of Toronto and succeeded in electing members from all but the two constituencies represented by your humble member now speaking and the hon. member for Danforth. There are in fact in the metropolitan area of Toronto more members of parliament and electors than in seven out of the ten provinces of this country. I am aware that in the rest of Canada Toronto is not the most popular section of our country—

Mr. Gordon: I think it is.

Mr. Starr: You made it that way after your last budget.

Mr. Brewin: —but I suggest to the government that is no reason why these urgent needs should be disregarded.

As one who comes from Toronto I think I made a very apt understatement but I do not want to invite comment on it. I urge the distinguished members of the cabinet from the Toronto area—I am looking now at the Minister of Finance and this would apply equally to the Minister of National Defence and the Minister of Trade and Commerce—to urge upon their colleagues immediate and practical action in regard to this urgent need. There may well be other metropolitan areas, and no doubt there are, in which the same urgent need exists. I have referred to the Toronto area because I am thoroughly familiar with it.

I do not think this is really a laughing matter and I do not think the Minister of Finance was laughing at what I was saying, but I suggest that when the lives, welfare and health of people in a large area are at stake and where the federal government has a degree of responsibility the federal government should give leadership. I warn the members of the government from this area that if they do not show a real regard for this situation, if they will not make up their minds in this respect, this will become widely known to their constituents, and we shall make sure that it is widely known to their constituents. It may be that the tide that swept Toronto last time will not be quite as efficacious next time unless they decide to do something about this matter and do it soon.

I am not talking now about some newspaper theory; I am talking about what doctors and medical men generally have repeated is an urgent problem at the present time. I see it is about one o'clock, Mr. Chairman, and I will conclude by appealing to the members of the government, particularly the Minister of National Health and Welfare and those members of the government who represent the area of metropolitan Toronto and, indeed, to all elected representatives from that area and all members of the house, to urge upon the government that this situation requires immediate and decisive action.

Mr. Gordon: Mr. Chairman, I think we are all impressed by the speech to which we have just listened. There is a very serious situation in Toronto in the hospital field. I think it is a question of where the main responsibility lies. I do not think the hon. member for Greenwood would expect me to go into the matter specifically on interim supply. Certainly I am not in a position to do so now. I am not sure, Mr. Chairman, whether there are other members of the committee who wish to speak.

Mr. Gregoire: Yes.

Mr. Gordon: It had been hoped that we could get through interim supply before the luncheon break because there are a number of hon. members who are anxious to participate in the discussion of the supplementary estimates which it had been hoped would come forward at 2.30. I do not know how hon. members feel. If they were willing to let us proceed with interim supply and get it through we could then do what had been hoped would be done, proceed with the supplementary estimates at 2.30 which some hon. members are looking forward to.

Mr. Winkler: Mr. Chairman, we will agree to the passage of interim supply now.

Mr. Gregoire: No, Mr. Chairman, we still have some speakers on interim supply.

Mr. Starr: May I interject? I wonder whether the hon. member for Lapointe would be agreeable, if it is agreeable to the committee, to making the speech he wants to make on the supplementary estimates? He would not lose the opportunity to say what he wants to say.

Mr. Winkler: I think we might assure the hon. member for Lapointe the floor if he would so agree.

Mr. Gordon: I would certainly be prepared to give the same undertaking on behalf of the government.

Mr. Gregoire: We still have some points to raise on interim supply. There must also be an interim supply bill, and we have an amendment on interim supply.

At one o'clock the committee took recess.

Interim Supply

AFTER RECESS

The committee resumed at 2.30 p.m.

[*Translation*]

Mr. Gregoire: Mr. Chairman, in the discussion on interim supply, we are authorized to draw the members' attention to various matters which are of interest to us all. I therefore would like to start by mentioning a program which was televised yesterday on the English network of the C.B.C., under the title: "The Open Grave".

Mr. Chairman, the comments which this program gave rise to illustrate a point which we have been trying to bring to the attention of the Secretary of State (Mr. Lamontagne) for some time, to the effect that it might be appropriate, and even necessary, to set up a committee of the house to consider certain programs presented by the C.B.C. which is a crown corporation.

To my mind, it might be important to have such a committee to study those matters, for several reasons.

First of all, the C.B.C. might benefit by knowing the point of view of hon. members. As a matter of fact, we are constantly in contact with the people and we might convey the people's opinion to that crown corporation.

Yesterday, I listened to the telecast entitled: "The Open Grave". I wonder why there was so much fuss and noise made about that show. Personally, I saw nothing sacrilegious or scandalous.

There might have been a somewhat indirect reference in the scene where disciples of Mr. Corbett were shown, one of them betraying him. There was the allegory of the open grave. But possibly nothing scandalous or sacrilegious.

However, I must say, our attention having been called to such a play, that I expected worse than that. In my opinion the literary style was very poor, there were leitmotivs which by the end became boring. The vocabulary was very poor, and this play was certainly not a first class drama, far from it.

In my opinion, what saved the play some value was the excellence of the artists interpreting this drama, or at least what has been called a drama, as well as the excellence of the producers.

Now, as concerns the substance of this so-called dramatic play, I think the C.B.C. may be somewhat criticized, for it meant to convey a certain idea.

I consider this corporation as an agency not to be influenced or subjugated by politics. Therefore, that agency should not endeavour to convey some ideologies or political messages.

The substance of that play—at the beginning, I mostly discussed its form—carried a unilateral message resting on erroneous premises and, because of the style of the play, was beside the point.

There was an attempt to impress on the public a widely fashionable tendency in this country recently, and that was done with pressure when, for instance, interviews were carried out on the street where a consonant image or character was given of those approving the leader, while a clearly unlikable character was given to those against the leader of the "Peace in Action" movement, like the character who would not go on strike with the other demonstrators around a war plant. On the evening of Mr. Corbett's hanging, we could see motorcyclists waiting at the jail door and those characters were clearly antipathetic, once again to try to influence the public.

An attempt was made to ridicule the efficiency of the R.C.M.P., as it is done sometimes in this house. An attempt was made to ridicule the efficiency of our judicial institutions.

When such an argument is presented, people should at least have the decency to mention that it is a theory and not a theatrical work. I think it was done with such naïveté that for a long time, the people fell for that sort of program. The author of that play gave me the impression of being a commercial publicist rather than a theatrical author who is trying to push through a philosophy, rather than attempting to present a theatrical work.

When we consider the amount of money the C.B.C. had to pay for such poor work—in French, we usely call that a turnip and it means something neither bad nor good, but something insipid—as the one shown on T.V. last night, I begin to wonder whether it would not be better for the corporation to appear before a committee of the house in order to receive suggestions.

As far as I am concerned, I do not object to appropriations, even large appropriations, for an agency like the C.B.C. which has work to do and can be a most important institution for the broadcasting of ideas and thoughts aimed at the development of art in Canada as well as understanding between the two main groups of this country. I have no objection to even larger appropriations.

If the Canadian Broadcasting Corporation finds insufficient the $85 million voted by the parliament of Canada, let us give it more, but its work should be at least well done and the money spent in a sensible way.

I am convinced that over the French network, between 80 and 85 per cent of expenses

are sensible ones. The majority of plays produced by the C.B.C. during the last five or six years have been successful. But in other cases, perhaps there is a lack of money or inefficient people in some positions. In any event, there is certainly need for an investigation in that regard.

Far be it from me to blame the Canadian Broadcasting Corporation. On the contrary, I believe that the corporation, in the field of the theatre, for instance, as well as in the sport and language fields, is doing work of a high social order which helps the advancement and progress of the arts, culture and sport in this country.

However, there comes a time when it may need some advice or information. Then again, we could be the ones to require information on what is going on inside that crown corporation. That is why we believe it would be important and essential now to set up a committee of the house to study those problems. The fact that we are now in full evolution makes it all the more necessary.

I am less familiar with the English network, and I hope you will excuse me for that, because I do not have as many opportunities to watch it. True, I did watch it yesterday, but that was because I wanted to speak about a certain program.

I wish to congratulate the actors of the English network for their splendid performances, and I must not forget the producers who gave us a most beautiful play, even if its theme was more or less insignificant.

On the French network, we have very good performers and excellent producers, and if they need a bigger budget—

[*Text*]

Mr. Knowles: Would the hon. member permit a question? He has given us the benefit of his assessment of one of the performances he saw on English television last night. Would he tell us what he thought about the one just ahead of it?

Mr. Gregoire: I will say this, the actor was no good.

[*Translation*]

Mr. Chairman, I must admit that I have not seen it, but the actor was no good.

I must say that I have not seen the play, but some comments I heard about it indicate how much we need a parliamentary committee to inquire into the C.B.C. activities and more particularly when that crown corporation pretends, nowadays, that it is authorized to bear judgment on the present historical facts, while no worthy historian who wants to be absolutely impartial would dare to do it.

I still feel that the C.B.C. is biased in certain respects, especially as far as politics are concerned. At least, from what I learned during yesterday's program, the corporation tried to be and perhaps it is not the proper organization to produce such a program.

All that to say, Mr. Chairman, that hon. members would like to see a committee set up to examine the operation of the C.B.C.

Another point which is very important, in my opinion, is the question of federal-provincial relations which will be discussed next week in the historic city of Quebec. We hope that those talks will be followed by action and achievements and that changes will be made to keep pace with the present evolution.

Mr. Chairman, I would like to bring home another point. In view of the tendencies now existing in this country, in view of present conditions, the government must go to Quebec, to this federal-provincial conference, with the clear idea that it will hand back to the provinces as much as possible of certain sources of income, so that the provinces may look after themselves and solve their own problems themselves.

And here I would like to use an argument which was put forward by the Minister of Finance (Mr. Gordon) himself, in his budget speech, when he said that generally in the country as a whole, we have succeeded to settle the unemployment problem, since, by and large, it has declined. But, he admitted that the unemployment situation remained to be settled in some particular areas. In brief, while general measures have been beneficial in a general way, unemployment still remains a serious problem, since it has not been solved at the regional level. In other words, legislative centralization could succeed to check unemployment on the whole, but not to eradicate it in underdeveloped areas of the country, scattered all over the country, since there are 35 of those designated areas.

Centralized solutions have not helped settle the problem. On the contrary, and unemployment is a typical example. Now, it is intended to solve the problem of unemployment, and the Minister of Finance wants to solve it on a regional basis; but even in so doing, by legislating on a national basis, on a Canadian basis, for the country as a whole, in a standardized fashion, strictly general, without taking into account various regional characteristics, he cannot arrive at a solution to the problem of regional unemployment. The problem has not been solved because the measures were applied as a whole, and specific cases, in specific areas, were not considered. The problem has not been solved, because the solution was sought in a centralizing way, when it should be sought at the regional level.

It is to be noted that the winter works, in some areas, have not solved the problem, because some of those areas have weather conditions which do not make for an easy implementation of the general legislation, as it has been voted by Ottawa for the country as a whole. This means that the solution consists in favouring the decentralization of implementation methods, various solutions for various situations.

This is the proof that the remedies should differ according to different areas. This also underlines the necessity of decentralizing and turning over to the provinces the necessary sources of income so that they might bring about the required solutions.

Therefore, let us turn over the sources of income to the provinces, especially those faced with the greatest number of problems, such as the province of Quebec. Those factors should be kept in mind during the next federal-provincial conference to be held next week in Quebec city.

The province of Quebec is exceedingly rich at present and has a tremendous capacity for development, as well as all the manpower, engineers, scientists and technicians required to achieve this development. But the province is at a standstill; Quebec has 40 per cent of the unemployed of the country, because it is the victim of a way of thinking which is not its own, of an atmosphere which is not its own and because the given solutions do not satisfy the aspirations and characteristics of its people. Although Quebec has a tremendous potential development which would contribute to enrich the entire country, it remains underdeveloped, because it is not given the opportunity to apply its own methods of development, its own solutions according to its character, its way of thinking and its procedures.

These regional factors should be taken into account in the over-all economic solutions for the development of the country, exactly as the Minister of Finance must take them into consideration when a specific unemployment problem must be dealt with.

In such a case, I can assure the people of other areas that Quebec will do more than its share to co-operate with enthusiasm and with a deep sense of equality to the development of the whole country. But this means that Quebec must get back its sources of revenue, its rights so as to ensure its own development.

On the other hand, I entertain certain fears, and I mention them here because to give utterance to one's fears beforehand is sometimes the wise thing to do. I fear that the Prime Minister will arrive at the federal-provincial conference surrounded by advisers who do not want to grasp the real meaning of the solutions to be found, who are blind to the real problems and their solutions.

I also fear that, on the other hand, the Quebec premier will take a sit-on-the-fence attitude at the federal-provincial conference, and take no real stand, as he did on April 5, 1963, three days before the last general election when he said: "We insist on a better distribution of revenue sources from the federal government, Quebec wants 100 per cent of the succession duties, 25 per cent of the corporation income tax and 25 per cent of the individual income tax."

By using that approach, he obtained the support of everybody. That was a year ago, or will be, in 15 days. Afterwards, the Quebec premier gave an ultimatum and we all got behind him.

He stated exactly the needs of the province of Quebec, what Quebec wants. He described clearly the requirements of the province of Quebec, so that it might really develop in this modern age.

Quebec was unanimous at that time and we must say to the premier of Quebec that we expect from him a very strong stand on those points, because any softening would result in a wave of disapproval on the part of the citizens of the province of Quebec.

Such a stand would discourage them, because they would understand that the premier of Quebec is not ready to do what he has been preaching for so long, namely give to the province of Quebec the means and the opportunity to become master in its own house, by developing itself to the advantage of all its citizens.

However, we do not want this to be done at the expense of the other provinces. We wish all regions of Canada, all Canadian citizens, to get the same opportunities, but we also wish the province of Quebec to get its own, and we feel that the country as a whole will profit by it, will make progress. The whole country will then take a step forward since when a part of the country is being developed, the other parts also profit by it.

Mr. Chairman, on the eve of this provincial conference, which will be extremely important, indeed strategic, we believe that the governments which will meet around the same table, the federal government and that of the nine other provinces, must look to the future, not in seeking to centralize everything in Ottawa, but in granting every province, every region, means and opportunities to develop themselves according to their own conditions.

[*Text*]

Mr. Nielsen: I do not intend to take up too much time in this debate but I do have one or two things to say with respect to the proposed transfer of jurisdiction over the Eskimos living in northern Quebec from the federal government to the government of the province of Quebec.

In order that the situation may be put into proper perspective, I think I should refer to one or two things which have been said in this house by the Minister of Justice, by the Prime Minister and by the Minister of Northern Affairs and National Resources. There seems to me to be as much difference between the minister of northern affairs and his cabinet colleagues, the Minister of Justice and the Prime Minister, with respect to this question as there is between the Minister of Agriculture, if indeed he can still be called that, and the Minister of Forestry. The minister of northern affairs said on March 4 that there would be consultation with the Eskimos of northern Quebec before a transfer was effective—I think the words he used were "before an agreement is signed". As reported in *Hansard* of that date, the minister of northern affairs set forth the agreement, or rather the consensus of understanding, as he called it, between the representatives of the government of Quebec and the representatives of the government of Canada. In one of the conditions which was attached to this consensus of agreement, number four to be precise, which is recorded on page 506 of *Hansard,* it was stated that the government of Canada and Quebec undertake to consult jointly the Eskimos of New Quebec, or nouveau Quebec. The paragraph went on:

> The consultation, that is the communication of the terms of the agreement, excluding the financial provisions thereof, and the receiving of the views and comments of the Eskimos concerned, would be made through a commission—

From what cabinet ministers have been telling us, it appears that agreement to set up this commission was reached between the two governments on February 29 last. This agreement was announced in the house by the minister of northern affairs on March 4. But as yet, according to the answer which the minister of northern affairs gave me this afternoon, there have been no further meetings between the representatives of the government of Quebec and the government of Canada in connection with this matter, nor has any progress been made toward the setting up of this commission.

It seems to me there can hardly be the kind of consultation which we have been led to believe will take place between the Eskimo people and the government of Canada if, as the minister says in the agreement which he put on record on March 4, the terms of reference of the commission provide merely—and I quote again from page 506 of *Hansard*—that consultation is to be only "the communication of the terms of the agreement", excluding the financial provisions. If this is what the hon. gentleman and the Prime Minister mean by consultation, it seems to me that the Eskimo people, 2,500 of them, will be presented with a *fait accompli* in the form of an agreement reached between the province of Quebec and the government of Canada. They will simply be informed that this is how things are to be. We have been urging that the Eskimo people should be consulted in the fullest sense of the term. It would appear that the fairest means of achieving this degree of consultation would be to invite representatives of the Eskimo people involved to serve as members of the commission which the two governments intend to set up and, in addition, to invite representatives of the Eskimos to express their views at any interim meetings held between the governments.

Here we have a situation where the minister of northern affairs, who is constitutionally and legally directly responsible for the welfare of these people, is entering into consultation with a provincial government, on behalf of the government of Canada, without having any regard whatsoever for the opinions and views of the Eskimos who are the subject of those consultations. The minister read into the record on March 4 the provisions of a consensus reached by the two governments, but there was no indication that the Eskimo people had been consulted as to the contents of even that concensus. It seems to me that the 2,500 Canadian citizens who are most directly involved should have been asked to express their views on the subject. They should have been asked to express their views as to the setting up of the commission. They should have been asked whether or not they wished to be represented on this commission. It seems to me it would have been fair to have done all these things rather than to have proceeded unilaterally, because of political pressure applied by the minister's cabinet colleagues the Minister of Justice and the Minister of Citizenship and Immigration, arbitrarily to transfer jurisdiction to the provincial government for purely political reasons.

I am not the only one who holds these views. One of the leading newspapers in this country, a paper to whose editorial policy I am sure those who sit on the government benches will not take exception, the Winnipeg *Free Press,* has called this whole matter an exercise in political appeasement, and that is precisely what it is. Here we have the

province of Quebec demanding, and indeed threatening, that the federal government turn over to it administrative responsibility for these people.

It is a responsibility which has been residing in the federal government, if not by the treaty of Paris of 1763, certainly from 1939 onwards. A decision was reached by the Supreme Court of Canada in 1939, at the insistence of the province of Quebec, that the responsibility for the welfare of the Eskimo people should reside in the federal government. In other words, the supreme court decided they would come within the classification of original people as contemplated by the Indian Act. From that time on the federal government has assumed the responsibility and I might say that during the years 1957 to 1963 the responsibility was discharged as never before in Canadian history.

It seems to me, Mr. Chairman, that the consultation which the minister of northern affairs and the Prime Minister have assured the house will be carried out is a very shallow device to hide the fact that it is the intention of the federal government to come to an agreement with the province of Quebec, and then hand that agreement as a *fait accompli* to the Eskimo people. Why has the government not considered Eskimo representation on the commission, and why does the government not ensure that independent counsel be provided both prior to the consideration of the terms of this so-called agreement and at the time the completed agreement is considered by the commission?

The minister of resources in Quebec said that it would be utterly undemocratic to hold a referendum on this question. The minister of resources in Quebec has been very outspoken on this subject. In some of the earlier meetings he said that unless the federal government follows the wishes of his province in this matter, they will not give the Eskimo people in northern Quebec jobs on provincial projects but rather will take residents from the central portion of the province and substitute their labour for the labour which is more readily available. Some newspaper commentators have called this blackmail. I hope that since the time when Mr. Levesque made this statement the federal officials involved, including the minister of northern affairs, have made some progress in bringing some modicum of rational thought to the minister of resources for Quebec.

The Eskimo people in this area are Canadian citizens and cannot be treated as human pawns, as appears to be the case. As the Leader of the Opposition stated the other day in this house, the Eskimo people are being treated as chattels in this transaction. They

[Mr. Nielsen.]

are being shunted from pillar to post without regard to their feelings in the matter. The hon. member for Northwest Territories pointed out that he knew these people and how they feel, that they are fearful and confused. He further said that if the federal government insists on enforcing their views and on giving in to Quebec on the question these people will move out of New Quebec and on to the islands.

I have a suggestion to make if the federal and provincial governments insist on going through with their plan without consulting the Eskimo people. I suggest to the minister that the government consider payment in full of the expenses for removal of all their community property as well as their individual persons from their location in Quebec to any other place in the Northwest Territories—all of which is their home—to which they desire to move. That is regardless of whether one or 2,500 express the view to go. It seems that the fair and democratic thing to do is to hold a referendum among these people and find out their desires in the matter, rather than superimposing on their own personal feelings an arbitrary decision of the federal and provincial governments which has been dreamed up in concert—as the Winnipeg *Free Press* puts it, as an exercise in political appeasement.

The national unrest which this arbitrary action on the part of the government has caused—this typically Liberal arbitrary action of a Liberal government—is by no means confined to the province of Quebec or the province of Manitoba. In every centre of this country editorials have been written. One can pick editorials from any provincial newspaper condemning the action of the government in treating these people as human pawns. I should like to read an editorial in the Calgary *Herald* of March 3, the heading of which is precisely the phrase I have used—"Human pawns". The editorial commences in this way:

> There is little justification for transferring jurisdiction over Quebec's 2,500 Eskimos from federal to provincial hands...
>
> A meeting last week—

This editorial is dated March 3, 1964—

> —between federal and Quebec authorities indicates that Ottawa is, after all, prepared to surrender to the demands of the Quebec resources minister, Rene Levesque, for the transfer of that province's Eskimo population to provincial authority.

Two sound arguments are advanced against this policy. The first is that—

> —the Supreme Court of Canada ruled in 1939 that Eskimos were Indians and subject to federal jurisdiction. To turn them over to provincial jurisdiction is to be guilty of flagrant disregard of a judgment handed down by this country's highest court.

That is precisely what such a decision would mean; the government of Canada would be flying directly in the face of a judgment of the Supreme Court of Canada.

Second, has sufficient consideration been given to the views of the Eskimos themselves? Last month, Quebec officials reacted in a somewhat petulant manner—

—a manner in which, I might add, the Minister of Transport ofttimes acts in this house when answering questions—

—when a federal spokesman suggested that a referendum be held to determine the Eskimo point of view.

Where is that referendum? Last August, for example, the Minister of Justice said, although not in so many words, that it would be held. He, like the disciple of the Secretary of State for External Affairs that he is, is becoming extremely proficient in skirting around direct answers to questions which are asked in this house. Both he and the Prime Minister have said, and not only on one occasion, that the Eskimo people will be fully consulted. That consultation, to be achieved in its fullest possible measure, should be consultation by referendum, not by merely explaining to the Eskimo people, as the minister of northern affairs put it on March 4, the terms and provisions of an agreement which has already been reached and decided upon and presented to the Eskimo people as a *fait accompli*. It is the fate of 2,500 Canadian citizens who have the federal franchise of which we are speaking here. They are people who are the direct responsibility of the federal government, not simply as a matter of constitutional law but because of the confirmation of their position handed down by the Supreme Court of Canada in 1939.

On March 10 the Minister of Justice was asked in this house a question by the hon. member for Joliette-L'Assomption-Montcalm as reported at page 735 of *Hansard*:

When does the minister contemplate holding a sort of referendum, once the agreements are signed, in which the Eskimos would be asked whether they are in favour of that transfer?

The answer of the Minister of Justice was this:

Mr. Speaker, it is a question I would not like to answer without previous consultation with the other party involved in the discussions—

—namely, the province of Quebec: Not the Eskimo people; their feelings do not seem to concern the minister at all.

The hon. member for Joliette-L'Assomption-Montcalm asked this question a little later on, as reported on that same page:

Will the Minister of Justice meet the Hon. Mr. Levesque in this connection?

The Minister of Justice, in sloughing this off, said:

That matter is of minor importance, Mr. Speaker.

I suggest to the Minister of Justice that the matter of prime importance here is the feeling of the 2,500 Eskimo people. These people apparently do not want any change in the federal relationship which they now enjoy. These people do not want to be treated as political pawns. These people do not want to be the subject of an exercise in political appeasement that seems to be the whole reason for the federal government dealing with the matter at all. The Minister of Northern Affairs and National Resources is a very conscientious individual and takes his responsibilities seriously. He is given certain responsibilities under the act which set up his department, and one of those responsibilities constitutionally followed is that of caring for the welfare of the Eskimo people of Canada—not just those of any one particular province. I do not believe that he wants to see any transfer of jurisdiction. I think pressures are being applied from within his own cabinet by the Minister of Justice and by the Minister of Citizenship and Immigration to comply, for political purposes, with the demands being made by the province of Quebec. It is a shameful exhibition of complete surrender for political expediency and for the purpose of obtaining votes in the province of Quebec.

Surely, Mr. Chairman, the democratic process dictates that the Eskimo people themselves are the people who should be making this decision. The federal government is bound to care for the welfare and the administration of the affairs of these people by our own laws, as confirmed by a supreme court decision. They cannot all of a sudden slough off this responsibility simply because another province wants them to do so. The Prime Minister in the house, in answer to one of these questions the other day, said that all the provinces will be treated equally in this regard. This is another indication of co-operative federalism, where they want to come to one arrangement with one province and do nothing with regard to other provinces. This knife cuts both ways, Mr. Chairman. If there is to be a transfer of the jurisdiction of the federal government and administrative responsibility for the Eskimo people in this country, surely it should apply to all provinces; and this applies equally to administrative jurisdiction in matters concerning the affairs of the Indian peoples.

I suggest, sir, that there is a division in the cabinet over this question. The Minister of Northern Affairs and National Resources deserves every assistance to see that the constitutional question here goes the way that it

should; to see that the rights of the Eskimo people are protected. It is the duty, I would suggest, of members on all sides of this house to support the Minister of Northern Affairs and National Resources in insisting that the responsibilities which he is given under the act creating his department, and by the other laws of Canada, are carried out with regard to the Eskimo people and the protection of their rights. These responsibilities should be carried out to the fullest extent and should not be made the subject of an exercise in political expediency by his colleagues in the cabinet.

I would suggest also that apart from the question of a referendum the minister should very seriously consider the provision now, not after the provisions of the agreement have been drawn up and reached between the two governments, of independent counsel, untainted by the officialdom in his department or the federal government and untainted by that in the province of Quebec, so that the Eskimo people can be advised independently of their rights and so they can be advised on any questions which they may care to put as to whether they must accept the decision which is arbitrarily reached by the two governments concerned. If the federal government is to insist on the transfer of the administration of Eskimo affairs, then I feel this house should insist that a referendum be held among the Eskimo people concerned so that their wishes are paramount here, and not the wishes of the federal government or the wishes of the government of the province of Quebec.

If the federal government arrives at the decision that it is a good thing, a desirable thing that the administration of the affairs of these people should be transferred, then they must, in keeping with the Prime Minister's undertaking in the house the other day, apply the same principle to the province of Manitoba, because there are Eskimos living in the northern portion of that province, as the Minister of Northern Affairs and National Resources knows. It seems to me that one province cannot be treated in any different fashion than another; the principle upon which the transfer is being made must be uniform. I might just say, Mr. Chairman, that the hon. member for Royal, I think it was, first raised the point as to whether this parliament would have the opportunity to consider any agreement that might be reached between the federal government and the provincial governments. There may not be time for another of our members to cover this point, but I would say that the hon. member for Peace River has raised this matter on a number of occasions, as well as the hon. member for Royal. I believe that if the matter is examined very carefully, it will be found that there is a constitutional obligation on the part of the federal government to place any such agreement before parliament before it is given effect. I see the parliamentary secretary shaking his head in negation, but I believe that if he will look into this matter carefully he will find that the responsibility for the caring of the affairs of the Eskimo people is placed on the parliament of Canada and that responsibilility cannot be delegated until the parliament of Canada gives its approval—not the minister's department, because the minister certainly is not given that authority under the act which constitutes his department. I know that the Minister of Northern Affairs and National Resources does not want to do that. He knows very well that the fair thing to do is to retain the responsibility for the care of these peoples in his own department. He is a conscientious individual and I know that he wants to discharge his responsibilities.

Mr. Laing: Flattery will get you nowhere.

Mr. Nielsen: Well, I hope it gets the Eskimo people somewhere. I know that he wants to do the right thing because of his conscientiousness. He wants to ensure that the rights of these people are protected. Initially when he approached this problem, from reading the press reports I gather he was one of those who believed in a referendum, and I think deep down in his heart of hearts he still believes that a referendum is a proper way to approach this question, so that the views of the Eskimo people will be the governing views in this matter.

I can quite realize the pressure he must be under from his colleagues, the Minister of Justice and the Minister of Citizenship and Immigration; but I say to him, "Disregard this pressure. They are not the important people, nor are the people in Quebec who are threatening and who are trying to insist on the transfer being made. The important people here are the Eskimo people themselves". This is one principle, judging from what I have been reading and hearing in this house, that the people of Quebec understand; that is, the principle of self-determination. They will be the first to stand up and insist on that right being enjoyed by all Canadians, from whichever part of the country they come. So I think that in order to clarify the matter once and for all, either the minister or someone in authority in the government should stand up and say that the government does not propose to proceed further with this matter; or indeed, if they do, the alternative is to hold a referendum in the democratic way so that the people most affected, namely the Eskimo people of New Quebec, will have the right of determining their own future without having changes

superimposed on their future lives and those of their children by government officials.

Mr. Howard: Mr. Chairman, primarily I should like to say a few words on the same subject on which debate was started yesterday by the hon. member for Northwest Territories and has been continued today by others. Before I do so perhaps I might be permitted to say how much I enjoyed listening to the remarks of the co-leader of the Ralliement Creditistes, the hon. member for Lapointe, especially his reference to certain television programs. I can only say to the co-leader of the Ralliement Creditistes that he convinced me for one thing, that if one wants to look for something sinister in anything he will be able to find it.

While we are on the subject of television programs may I say I was one of those who were enticed by the advertising by the Leader of the Opposition to watch the program "The Open Grave". I also took advantage of the occasion to watch the hour long program preceding it entitled "The Chief". I hope that someone on the government benches, presumably the Secretary of State who reports to the house for the C.B.C., will communicate my own thanks and I am sure the thanks of many other hon. members to the C.B.C., especially to the producer of the program, Doug Leiterman, and will commend that organization and Mr. Leiterman for producing such an excellent television program. They portrayed the Leader of the Opposition in a wonderful light, I think, and they did the job even better than Allister Grosart could possibly have done in his wildest moments. I am serious. I think it was an excellent program. I commend the C.B.C. for it and I hope that if they undertake incisive studies of other political leaders they will approach them in the same way.

With respect to the Eskimo and Indian problem in Canada I am sure it is well known that the New Democratic party and those of us who were formerly in the C.C.F. developed some time ago a program and concept relating to native Indian and Eskimo affairs that coincides precisely with the arguments we have heard today. We certainly welcome this late support and endorsation of the idea we have had for many years, namely that so far as government jurisdiction is concerned in relation to the Indian and Eskimo people the primary factor that should never be lost sight of is that they must be officially consulted and their desires must be heeded. This is of prime and paramount importance and we must never retreat from that position.

Some ten years ago the Minister of Northern Affairs and National Resources and I sat in the legislature of British Columbia. He was then leader of the Liberal party in that province. I am sure he does not need to be reminded and no doubt remembers precisely that in those years one of his clarion calls throughout the province of British Columbia with respect to the Indian people was that anything done in Indian affairs must be done with the consent initially of the Indian people themselves. That was his position ten years ago and I heard him expound on that idea in the legislature. I have read newspaper accounts of him saying the same thing throughout British Columbia and I hope he has not backed off from that position. Our guidepost in dealing with Indian and Eskimo affairs must always be that these people themselves should be the ones to decide initially, and not somebody else.

With regard to the particular matter under discussion, from what I have read about it and have gathered from listening to others it is evident that no group of Eskimos or no individual Eskimo made any approach to have jurisdiction over their affairs transferred into the hands of the government of the province of Quebec. The idea originated in the minds of people like Jean Lesage, Rene Levesque and others of their sort in order to satisfy some sort of inner craving for expression of their parochial ideals, and unfortunately they have dragged the federal government along with them. As a result the federal government has lost sight of the initial goal of consultation with the Eskimo people themselves. When I speak of the Eskimos I am also referring to the other group of original inhabitants of Canada, our native Indians, because the same thing holds true with respect to them. We must never lose sight of the fact that they are the ones concerned, that they should make the initial decisions and that the government should only be the agency to carry out what they decide should be done in the first instance.

Unless that is the case, then as far as I am concerned there should be no further negotiations with the province of Quebec or anybody else on the particular matter of transferring jurisdiction over the affairs of these people to the various provincial governments. I subscribe to the idea that as long as we maintain a constitutional structure that sets people apart on the basis of their racial background we are going to have two classes of people, one of whom is going to be considered second class or inferior. This has been the case with our native Indian people for many years. As long as we maintain one group of people under the jurisdiction of the federal government in respect of their civil rights, education and so on and the remainder of the people under the jurisdiction of the

various provinces we are going to maintain and develop discrimination in favour of one group and against the other.

Our goal must be the transfer of jurisdiction but it must be done only with consent and after the people involved fully understand what is happening to them. The matter should never be negotiated at the top, as I gather is likely to be the case now, and a plan developed and presented to the Eskimo and native Indian people with the statement: This is the plan, here is our public relations explanation of it; do you want it or not? To do so places these people in the unfortunate position of having to make up their minds at a moment's notice on a matter that is most important to them when they have had very little opportunity to discuss it or to understand what is involved.

It is all right, I suppose, for the federal government to succumb to the pressures of a province, as has happened with this government, and to capitulate to threats or blackmail, if you want to call it that, on such matters as pension plans, taxation rights, the world's fair and a variety of other things, but in this instance we are dealing with the lives, the human rights and fundamental freedoms of people and we cannot possibly think of tossing these rights and freedoms away.

All sorts of suggestions have been made as to the approach that should be taken, but in essence I think this is what we would like to have the minister tell us. We would like to have the minister say to parliament that he is going to consult with the Eskimo people involved in this particular transfer to find out their views, their ideas and their opinions. On that basis he could then proceed to enter into discussions with the officials of the province of Quebec, but first of all he should find out what the attitude of the people concerned is. If their attitude is that they are not interested in being transferred into the hands of Rene Levesque and others like him, then the Minister of Northern Affairs and National Resources and the government should stand up for the rights of these people, represent them properly and tell Rene Levesque to go to blazes. First of all let the government base its position on the desire of the people concerned.

Second, I think that in any event nothing should be done in this whole field of transferring jurisdiction over the original inhabitants of Canada until such time as we have had this dominion-provincial conference on Indian affairs, which I think will take place some time in May. This is the sort of place, with all the provinces there and with all the representatives of the federal government there, where we might be able to thresh out a general understanding as to what course should be followed. Once there is some general agreement as to whether or not it is desirable to approach the native people on the question of transferring their jurisdiction, then we should go to the people concerned and say, "Do you want us to proceed or don't you want us to proceed?" We should outline the pros and cons, the benefits and drawbacks of such a transfer. Once the opinion of these people is ascertained, you can proceed with negotiations. If you do not consult with the people themselves first, what you will be doing will be selling their rights down the proverbial river. You will be disregarding the human dignity that everyone has and, unfortunately, you will be setting a pattern, whether or not that pattern is good or bad for all future discussions which may take place concerning the original inhabitants in Canada.

I just want to leave this one simple thought with the government. For heaven's sake do not do anything to jeopardize the rights of the people themselves. For heaven's sake go and consult with them and ask them first for their views, their ideas and, if necessary, submit a referendum to them. The situation should be explained thoroughly to these people, and you should submit yourself to the most incisive criticism and questioning by them. Tell them the truth about what is likely to happen and what is not likely to happen if jurisdiction is transferred. Let these people decide first what the government of Canada should do with regard to these negotiations, and then act like true, honest negotiators in representing them when you are dealing with the province of Quebec. If you do that first, you will have no complaints levelled against you. The people themselves will have no complaints because they will be the ones, initially, who started the whole process. Do not do it above, as has been the case so often in the past when governments have been dealing with the original inhabitants of this country; because if you make an agreement above, then you superimpose it on the individuals concerned.

[*Translation*]

Mr. Caouette: Mr. Chairman, I only wish to make a few comments, before the resolution of the Minister of Finance (Mr. Gordon) is passed and consideration is given to the interim supply bill which will probably be submitted to the house this afternoon.

Mr. Chairman, the hon. member for Skeena (Mr. Howard) spoke a moment ago of the program presented last night over the English network of the C.B.C. and said that the hon. member for Lapointe (Mr. Gregoire) could find something sinister in anything or anywhere, but, as I have not seen the program

myself, the only comments I heard were to the effect that the whole thing seemed to be a lot of publicity to promote socialist ideas which are overrunning the world. It is hardly surprising then that the hon. member for Skeena should be so interested in that play which was shown on the English network of the C.B.C. last evening.

Mr. Chairman, this afternoon we are again threatened with the sword of Damocles which was held over our heads on several occasions last year. Indeed, since yesterday, we have been told time and again that if interim supplies are not voted today, civil servants will not be paid, government bills will remain outstanding and the financial administration of the country will be paralysed. We wish to inform the Minister of Finance that we strongly object to this method used by the government to impose its decision on the house under the pretext that civil servants will not be paid and that the financial administration of the country will be paralysed if we do not adopt a certain piece of legislation at once.

The Minister of Finance does not even have to be here this afternoon to provide for civil servants' salaries and pay government bills. He just has to telephone the governor of the Bank of Canada, Mr. Louis Rasminsky, and ask him to issue the necessary cheques. Then, everybody will be paid, since no Canadian bank will refuse such cheques unless the present Minister of Finance has completely lost our confidence.

Interim supply will probably include an important item, that is a short term loan, which means 91 days, bearing interest at 7 per cent. That loan to meet government obligations will amount to about $1.5 billion. At 7 per cent, that means an interest of $26,222,222.22 for three months. Twenty six million dollars in interest only on a temporary loan of $1.5 billion. And the government complains that it is short of credit, short of money and that the people do not want to invest in their country's development, whereas it is the government itself which tolerates a monetary system that is falling to pieces, a fact which is becoming more and more obvious.

Not so long ago, on March 24, the newspaper *Le Droit* published—not on the front page, because when news of that kind is made public, you find it most of the time near the obituary column, which goes almost unnoticed unless you happen to be interested—that news item which you find in the most hidden corners, the least interesting corners of any newspaper.

Here are, according to a report from Washington, the dangers of automation:

> A group of American professors, trade unionists and economists submitted to President Johnson a report in which they point out the dangers of automation.
>
> Automation threatens to bring about in the United States unprecedented economic and social disorders, say the 32 signatories to the report—

Please note, Mr. Chairman, that I am not one of those signatories. Those are the views of economists, trade unionists and professors in the United States.

To go on with the quotation:

> —among whom may be noted the Swedish-born economist Gunnar Myrdal and Nobel prize winner Dr. Linus Pauling.
>
> The report states the United States and the remainder of the world—

—this includes ourselves, here, in Canada. This also includes the Minister of Finance.

> —will before long fall prey to a revolution which will bring unlimited production, thanks to machines, without the necessity of the co-operation of human beings.
>
> So, means should be taken to ensure an income to all, the signatories to the report add.

Mr. Chairman, steps must be taken to guarantee income to all, not only in the United States but also in Canada.

We read in *La Presse* for Wednesday, March 25, 1964, an article entitled:

> Means to be taken to relieve the poverty of 30 million Americans.

Thirty million people in the most wretched poverty out of a population of 200 million, while in Canada we have 500,000 unemployed, and if we consider an average of five individuals in each family, that would mean 2,500,000 people living in dire poverty. Besides, I would dare say that if we add to this figure all those who are not registered with the unemployment insurance commission, we could easily get the astonishing total of 5 or 6 million people, while the total population of Canada is 19 million. Six million Canadians are actually living in poverty in this country. Mr. Chairman, this is an intolerable situation.

On the other hand, the Minister of Finance tells us that the situation is improving. He tells us that only 5.5 per cent of the available labour force is unemployed. Five and a half per cent, in the public mind, does not mean such a large number of people. But if we take the trouble to consider the meaning of 5.5 per cent, we find that it represents more than 500,000 Canadian unemployed. That is the danger now existing in our country and the problem facing us at present.

How could an income be provided for everybody without accepting the theory advocated for many years by the Social Credit, namely the payment of a monthly dividend to each and everyone, so as to create the purchasing power called for by automation and to

acknowledge that automation, instead of being detrimental to man, should serve his interests? That is what we want, what we are demanding and requiring of the present government.

Instead of racking our brains to find extravagant schemes like the winter works program —while machinery or power shovels are put aside to use men and give them some work why not use this program to make the equipment available to men, in order to help them rather than to enslave them? Instead of racking our brains, we should help organizations which are trying to look after people's leisure time. It would be so much more Christain and humane than to consider man like a beast of burden who must sweat and toil in spite of progress and actually be punished.

Mr. Chairman, it is this interim supply that is put before us at the very last minute, on Easter eve, and we are requested to accept it quickly. We are told: Accept, if you want to leave today for your Easter recess, accept it if you want to catch your train at 4.30 p.m. or your plane at five or six, or at eight o'clock tonight.

Mr. Chairman, we in this corner of the house are fed up with this sudden rush at the last minute. We no longer want that sort of thing for any consideration and for any minister. We no longer want the government itself to push us around or drive us into a corner, saying: accept that, or else we will sit tomorrow, holy Saturday, even on Easter day. We will sit as long as necessary.

We will no longer be pushed around like that in an endeavour to have us pass measures which should have been put before us perhaps two or three weeks before, so that all members of the house could discuss the subject matter, the advisability and the merits, in the minutest details, of everything that is not in the interest of the Canadian people.

Mr. Chairman, this interim supply will indeed provide for expenses. It will also provide for loans. As I said a while ago, when I called the attention of the Minister of Finance to that fact, all he has to do is what we suggest. The Bank of Canada should be used, without interest, when the bill is introduced, for the short term loan of 91 days and the $1 billion or $1.5 billion loan, so that we will not have to pay two or three times the amount of the capital. Let us pay the amount of the capital only. I do not mind that administrative expenses be charged to us but when, for example, we have to pay every three months $26 million in interest on those loans, it is a shame, it is like taking money from the pocket of the taxpayer.

[Mr. Caouette.]

Mr. Chairman, I have here newspaper articles saying exactly what we said during the last two sessions and during this one. I have here an article published in the *Western Producer*, on March 26, that is in this week's issue. It reads as follows:

[*Text*]

For a long time purchasing power in the pockets of consumers has not been sufficient to buy the goods they need and which are available for consumption. Those who listen to "commercials" on radio and television need not be reminded of the savage competition among sellers for the buyer's dollar. They hear every day tempting offers with no cash down and ever lengthening periods to pay which competing firms dangle before the public in frantic effort to steal customers from one another.

[*Translation*]

We can read the following:

[*Text*]

Time and again it has been asserted in these columns that a radical recasting of the monetary system is long overdue.

[*Translation*]

And that article by Mr. Waldrum was certainly not invented by the Social Credit organization, because the author is a man entirely outside the political scene; he just relates the facts as they are.

Here, in *La Presse* of Wednesday, March 25, we see that the United States have to deal with 30 million paupers.

The world is progressing; there is no better proof than the war waged against pauperism, as President Kennedy saw it, and which President Johnson is carrying on. A quarter of a century ago, it would have been taken for granted that this struggle meant taking the money from the "haves" to give it to the "have-nots". For until lately, indeed, it was presumed that the social cake was just so big and that the social problem consisted in sharing it.

Today, people here are preaching solutions as in the United States. They advocate certain remedies. These are the principal reasons for pauperism and distress. There are four categories of have-nots; for instance those whose proverty is due to lack of education.

Here, in this country, our young people have been urged for the last five or six years to go to technical schools, and become technicians, professionals. And, when they come out of those technical schools, when these young people of 20 or 22 years try to obtain a job, they are told that they lack experience.

When they have experience they lack education, and when they have education they lack experience.

That is the dilemma facing us.

Mr. Chairman, we do not go along with those pointless solutions which lead us nowhere. There is only one way to set up a practical economic order taking into account

the needs of the human person and that is to put the monetary sign directly in relation with the production the Canadian people are capable of. Then, we shall certainly have the liberation of the individual and the monetary sign will no longer be the master of the human person, but rather a servant, as we have been advocating for so many years.

Mr. Chairman, Social Credit would not do miracles and we do not need a Social Credit government to apply its plans. The Minister of Finance (Mr. Gordon), being an accountant, can understand Social Credit, but some circles around him probably prevent him from taking action. If he knew to what extent he would get the support of the Canadian people who are now in a dire situation, the Minister of Finance would not hesitate one minute more this afternoon and he would make an Easter present to each and every Canadian by calling the governor of the Bank of Canada, Mr. Louis Rasminsky, instructing him to make available the billions of dollars needed for the good administration of Canada and the economic recovery in all Canadian provinces.

[*Text*]

Resolution reported and concurred in.

WAYS AND MEANS

The house in committee of ways and means, Mr. Batten in the chair.

INTERIM SUPPLY

Mr. Gordon moved:

Resolved, that towards making good the supply granted to Her Majesty on account of certain expenses of the public service for the fiscal year ending 31st March, 1965, the sum of $684,120,260.18, be granted out of the consolidated revenue fund of Canada, as set forth in the resolution concurred in this day in the committee of supply.

Mr. Clancy: I am afraid I perhaps did not hear as well as other members of this committee and I would like the figures to be repeated.

The Deputy Chairman: The figure in this resolution is $684,120,260.18.

Motion agreed to.

Resolution reported and concurred in.

Mr. Gordon thereupon moved for leave to introduce Bill No. C-84, for granting to Her Majesty certain sums of money for the public service for the fiscal year ending March 31, 1965.

Motion agreed to and bill read the first time.

The Deputy Chairman: When shall the bill be read a second time? Now?

Mr. Knowles: By leave.

Ways and Means

Mr. Gordon moved the second reading of the bill.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Batten in the chair.

Clauses one to four inclusive agreed to.

On clause 5—*Power to raise loan of $1,000,000,000 for public works and general purposes.*

[*Translation*]

Mr. Gregoire: Mr. Chairman, I do not intend to deliver a speech on this matter. I only ask you a minute or a minute and a half in order to prepare an amendment to section 5. Through this amendment, we propose that the short term loans be obtained from the Bank of Canada at the ordinary administrative rate. That is the amendment that we want to move.

Since we have received the bill at the very last minute, we were ignorant of its terms and we did not know at what stage we could move our amendment. We, therefore, request that a minute be allowed to us in order to prepare this amendment that we want to submit to the members of the house.

Mr. Caouette: Mr. Chairman, in clause 5, the government is asking from us the authorization to borrow $1 billion for public works and general purposes.

That clause reads as follows:

(1) The governor in council may, in addition to the sums now remaining unborrowed and negotiable of the loans authorized by parliament, by any act heretofore passed, raise by way of loan, under the Financial Administration Act, by the issue and sale or pledge of securities of Canada, in such form, for such separate sums, at such rates of interest and upon such other terms and conditions as the governor in council may approve, such sum or sums of money not exceeding in the whole, the sum of $1 billion, as may be required for public works and general purposes.

(2) All borrowing powers that are authorized by section 7 of chapter 1 and by section 4 of chapter 15 of the statutes of 1963 and are outstanding and unused shall expire on the date of the coming into force of this act.

Mr. Chairman, we now wish to move an amendment to suggest to the Minister of Finance and to the government to use the Bank of Canada instead of ordinary channels in which the Canadian people are practically overwhelmed.

It is stupid to pay excessive sums of interest on capital which will be used to pay for public works general projects as well as for the development of our country.

As I said earlier, if our Canadian workers have the power, the ability, the intelligence to accomplish things in Canada, to build the country, the Canadian parliament should at least be intelligent enough to order the Bank

of Canada to give credit according to the accomplishments of the Canadian people. That is all we are asking. It is useless, and even senseless, to ask the United States or other foreign countries for the money required to develop our country or to carry out public works here.

If we are in a position to carry out the works, we should at least be able to provide the corresponding credit.

Mr. Chairman, in that connection, we should like to move an amendment and we feel that every member is anxious to free the people overburdened with taxes and interests. I think that all members without exception will readily endorse the amendment we propose to move.

Mr. Robichaud: Do you not charge interest when you sell cars?

Mr. Caouette: That is not the same thing.

Mr. Gregoire: Mr. Chairman, I move, seconded by the hon. member for Villeneuve (Mr. Caouette):

That section 5 be amended and that the following words be added after the word "Canada", in the 34th line: "from the Bank of Canada, at an interest rate not exceeding the administrative cost".

And that all the words following the word "Canada", in the 34th line, up to the word "approve" in the 36th line, be deleted.

[*Text*]

Amendment (Mr. Gregoire) negatived: Yeas, 8; nays, 75.

The Chairman: I declare the amendment lost. Shall clause 5 carry?

Mr. Nowlan: I presume the minister will give the assurance that clause 5, which deals with borrowing, is in the usual form which has been used in interim supply bills in the past?

Mr. Gordon: Yes, Mr. Chairman.

Clause agreed to.

Clause 6 agreed to.

Schedules agreed to.

Preamble agreed to.

Title agreed to.

Bill reported.

Mr. Deputy Speaker: When shall the bill be read the third time?

Mr. Knowles: Now, by leave.

Mr. Caouette: On division.

Mr. Gordon moved the third reading of the bill.

Motion agreed to and bill read the third time and passed.

[Mr. Caouette.]

SUPPLY

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

The Chairman: Order. House again in committee of supply. Supplementary estimates (E) for the fiscal year ending March 31, 1964.

DEPARTMENT OF AGRICULTURE

1e. Departmental administration—to extend the purposes of vote 1 of the main estimates for 1963-64 to include the gift detailed in these estimates and to provide a further amount of $60,000.

Mr. Pickersgill: Mr. Chairman, before I begin to make the statement that I wish to make on behalf of the Prime Minister, though perhaps the proceeding is a little irregular I am sure all hon. members will permit me to do what if my memory had been a little better I would have done at eleven o'clock this morning, and that is to congratulate the right hon. gentleman opposite on the 24th anniversary of his election to this parliament.

Some hon. Members: Hear, hear.

Mr. Pickersgill: I well remember the day the right hon. gentleman was elected to parliament. It was on a Tuesday, and the fact that most of us are elected on Mondays makes this unusual event one of the things which have been unusual about his career throughout. I think we can all say without partisanship that neither parliament nor Canada would have been the same had he not been elected.

For fear of lapsing into politics, unlike my hon. friend the Secretary of State for External Affairs who is absent, perhaps I had better get on with the chore entrusted to me by the Prime Minister. The Prime Minister has asked me to make a statement which he regrets, owing to an indisposition, he is not able to be here himself to make regarding the transfer of duties between the Minister of Agriculture and the Minister of Forestry, a matter which was under discussion in the committee some days ago. I hope I will not be called to order if I follow pretty closely the notes I have, as I should like to carry out as faithfully as I can the mission entrusted to me.

The hon. member for Winnipeg North Centre suggested that the government had not complied with the provisions of the Regulations Act which require the publication of the order in council of February 3 made under the Public Service Rearrangement and Transfer of Duties Act. The hon. member knows, and I am sure all members know, that the Regulations Act does not apply to all orders in council. It deals with orders made—I quote from the definition of the act—"in the exercise of a legislative power". That act was passed

in 1950, when I believe the hon. gentleman was in the house, to ensure that the public would be informed of so-called delegated legislation. The aim was to make sure that parliament and the public knew what the law was as a result of the exercise of regulatory powers of a legislative character delegated to the government or to individual ministers. Orders in council under the Public Service Rearrangement and Transfer of Duties Act were then, and always have been since then, regarded as administrative orders since they affect the internal operation of government, not the rights and duties of the public; and therefore they have not been included among orders "of a legislative character" which have been published pursuant to the Regulations Act.

At the time the Regulations Act was passed the government prepared a consolidation of all the orders of a legislative character then in effect; that is, all the orders of the type which in future would be published. That consolidation did not include any orders passed under the transfer of duties act, although a number of such orders were in effect at the time. A further consolidation in 1955 also omitted any such orders. This same position was taken by the administration headed by the Leader of the Opposition when he was prime minister. In that period from 1957 to 1963, according to the information furnished to me there were 21 orders made under the transfer of duties act. Not one was published in the way which would be required if the Regulations Act was applicable; that is, by publication in the Canada Gazette. So far as the Regulations Act is concerned, the same practice has been followed by the present administration. While the present administration did not publish the order of February 3 and the subsequent orders because orders of the kind never have been published under the Regulations Act, the privy council office has readily made such orders available on request, as I believe the hon. member for Winnipeg North Centre acknowledged when he was speaking.

As to the content of the three orders in question, the Leader of the Opposition suggested that the order made on February 3 would have left the Minister of Agriculture largely bereft of his powers. I think that is a paraphrase of what the right hon. gentleman said. Such a statement ignores the fact that the Minister of Agriculture is responsible for the administration of over 30 statutes, not just for the three or four affected by the orders of February 3 and March 5.

Hon. members will no doubt recall that at the time the cabinet was reorganized the Prime Minister announced that it was proposed to give the Minister of Agriculture the ministerial responsibility for the proposed branch lines rationalization authority which, if and when parliament has acted, will add substantially to his powers and responsibilities. It is true, of course, that certain responsibilities previously entrusted to the Minister of Agriculture were entrusted by each of these orders of February 3 and March 5 to the newly appointed Minister of Forestry. It is well known, Mr. Chairman, that the present government from the day it took office was committed to having two ministers associated with agricultural matters, one from western Canada and one from eastern Canada.

While the policy of this government has always clearly been that a minister from eastern Canada should be associated with some aspects of agricultural policy, it is not an easy matter to make a delineation of responsibilities which achieves that purpose —and I think that purpose has not been challenged anywhere in the house—and at the same time provides a good administrative structure.

The government decided some time ago that the core of the responsibilities to be transferred to the minister from eastern Canada should be those for rural development. But we also realized that this distinction could not be entirely clearcut. For example, it seemed to make sense that administration of the feed grain subsidy should be a responsibility of a minister from the eastern part of the country; but that is not strictly, if indeed it is at all, part of development policy. On the other hand, P.F.R.A. is essentially a matter of development and yet it is peculiarly a western concern. Farm credit is another marginal area; it has a lot to do with development, but it also has a lot to do with established agricultural undertakings.

The order in council of February 3 transferred five activities of the Department of Agriculture to the Minister of Forestry, but it did so on the assumption that the two departments would become organically a single department, with the Minister of Agriculture as the senior minister with final responsibility, and the minister of forestry and rural development with certain defined duties and functions in the field of agriculture. After the Minister of Forestry was appointed on February 3 it became possible to have more detailed discussions among all the ministers directly concerned and the Prime Minister. Both the Minister of Agriculture and the new Minister of Forestry quickly came to the view that they would

like to take a few weeks to work out the best arrangement of their functions.

Accordingly, it was decided not to implement the order of February 3 which had been prepared in advance of the new cabinet appointments. The order was at once withdrawn. The copies were called back. At that stage there should really have been a formal revocation of the order of February 3, which did not take place until February 20. That delay was occasioned by the pressure of other business, though the Prime Minister has asked me to say that he does not regard this as a sufficient excuse.

One of the problems which was being worked on by the ministers concerned was the question of the best administrative structure in the long run. They came to the view, and jointly proposed, that it would be best to have a division of functions and responsibility between two separate departments. That decision altered the earlier view of the appropriate division of functions. The number of transferred functions was reduced from five to three, P.F.R.A. and farm credit being retained by the Minister of Agriculture. Coordination of the work of the two departments was to be provided for, not by the organic linking of the two departments, as had earlier been contemplated, but by the establishment of an executive committee on agricultural policy consisting of three ministers—the Minister of Agriculture, the Minister of Trade and Commerce and the Minister of Forestry or, as the government hopes he will become when its legislative proposals are accepted by parliament, if they are, the minister of forestry and rural development —under the chairmanship of the Minister of Agriculture. These conclusions were put forward jointly by the two ministers, and as a consequence a new order was passed accordingly on March 5.

This decision was made with the full agreement of the ministers concerned. There was, of course, the technical error—and the government does not pretend for a moment that it was not a technical error—of failing to revoke the first order until February 20. It has been suggested that the government acted illegally in not following the transfer of duties prescribed in the order between February 3 and February 20. The government has been advised that, as a matter of law, no member of the public would be or would have been adversely affected as a result of the Minister of Agriculture doing anything which, under the order, the Minister of Forestry could have done. The Minister of Agriculture did in fact sign eight ARDA agreements with the provinces. I understand they were with two provinces, Ontario and Nova Scotia. The validity of those agreements, like any other external act of the government, is covered by the protection that the law and jurisprudence afford in cases where there may be a technical defect in the authorization of anyone holding a public office. For greater certainty the government would be quite prepared to have the Minister of Forestry also sign the ARDA agreements to which I have referred.

Of course, public money was spent during those 17 days. It was spent under the authority of parliament. It was subject to all the normal checks of any public expenditure. There has been a suggestion that funds may have been spent illegally. Funds have been appropriated by parliament from year to year for ARDA, maritime marshland rehabilitation and other purposes involved in the recent transfer of functions. When funds are appropriated by parliament for a purpose, their release is subject to a great many rules. These rules are made under the Financial Administration Act and they prescribe the precise kind of authority that there must be before an expenditure can be made. They are not, for the most part, provisions of law; they are provisions of administration. They are internal requirements adopted so that administration can proceed, but with full safeguards.

What undoubtedly happened and what probably has happened in every case of a transfer of duties, and I emphasize "in every case", is that an expenditure may have been made under authority granted by the minister formerly responsible after the authority had technically been vested in a colleague.

I am glad to be able to assure hon. members that a check has been made and that there was no expenditure authorized by the Minister of Agriculture personally in the period from February 3 to February 20 in any of the areas transferred by the order of February 3 to the Minister of Forestry.

There is one other possibility. An official in the Department of Agriculture might, in those 17 days, have authorized an expenditure of the kind he could deal with under the authority he had received from the Minister of Agriculture after he should have had a new authority from the Minister of Forestry.

The government is advised that this frequently happens for a week or two after transfers of duty are made. The business of government goes on while the necessary consequential changes are being made. I could give an example in another case.

According to the best advice the government could get, it would appear that the suggestion that any law had been disregarded is not well founded. Orders in council under the transfer of duties act have never been

published before under the Regulations Act, and the 17 day delay, while a technical error, is one that does not involve illegalities any more than it may have done in similar situations, and there have been many of them, in the past.

Mr. Diefenbaker: Mr. Chairman, I am not going to speak at length after the kindly reference to me at the beginning of the hon. gentleman's remarks. I am not at all suspicious and it may well be that these well intended and sincere good wishes may have been in the contemplation of the hon. gentleman. However, I do thank him and the members of the house. Twenty four years is a long time and it was after many endeavours to get into this house that I finally succeeded. All I can say is that the spirit shown today in the words of the hon. gentleman is entirely consonant with that which I have found in the house at all times. Sometimes I have been known to disagree with those sitting opposite, but at all times recognizing, I hope, the fact that the House of Commons is a great club in which friendships are built up irrespective of disagreements that take place from time to time. The Minister of Agriculture has not been here very long, but after he has been he will find that this is a place in which the amenities are practised despite the asperities that sometimes pass between us.

Having said that, I now come to the subject matter of the exculpatory epistle by the minister in respect of a series of errors that cannot be brushed off as merely technical mistakes. These are serious errors. These are things that indicate the government is new to its responsibilities and to the need of carrying out the statutes and laws that are in effect. In this regard there has been a serious departure. Indeed, the Montreal *Star,* which I have never regarded as one of the major supporters of the Conservative party, had this to say in an editorial:

> What is one to make of a government which gets as tangled up in its administrative traces as the Pearson government in Ottawa? Who is doing its planning and how is it being run? The confusion surrounding the functions to be allotted to forestry minister Sauve is to be cleared up shortly by the Prime Minister himself but the memory of a month at cross purposes will remain.

Sir, we used to hear of bumbling and bungling. The postgraduates in these arts who sit opposite. I doubt that there has ever been a series of errors and mistakes so consistent in so short a time as we have seen since the present government took over.

On February 3 the Minister of Agriculture was, to use the words that the minister quoted, bereft of many of his responsibilities. No doubt he will say that what happened was entirely satisfactory to him. After all, if you are not discharging your responsibilities losing them does not cause you much concern. It has been an interesting division. The Minister of Agriculture, with wide experience in that field has for some reason or other had his powers and authority trifurcated. On February 3 he lost ARDA, P.F.R.A., which has always been in the Department of Agriculture and should be nowhere else, farm credit, the Maritime Marshland Rehabilitation Act Administration and the administration of freight assistance for western feed grains. He lost all of them under one order in council. A few months before he had the wheat board removed from him.

An hon. Member: Stripped to the bone.

Mr. Diefenbaker: One after the other these very important adjuncts of the Department of Agriculture were removed from him, and there he stood almost naked of responsibility except for a number of statutes that were referred to a moment ago.

Mr. Knowles: That is the bare truth.

Mr. Diefenbaker: But the important things were removed, transferred to the Department of Trade and Commerce, transferred to the Department of Forestry. A kind of troika was set up. I know that three heads are better than one but as one coming from western Canada, it does strike one that with his capacity he could very well have discharged these responsibilities. Yet they were removed from him. Why? Was it a matter of his effectiveness? Was it because he felt that someone else should look after these matters? We do not know. All we know is that the press has stated that there has been a power struggle going on. If there has been a power struggle, all I have to say is that the Minister of Agriculture did not have any of the power.

What has happened? On the 3rd of February these things went from the Minister of Agriculture. An order in council was passed. The Minister of Transport is an expert on the privy council. He occupied the clerkship of the privy council. Yet today, in all seriousness, he advances the argument that, after all, nothing took place but a technicality. He said the government decided that the order in council of February 3 should not be proceeded with and they withdrew it. How can they withdraw anything that has received the approval and consent of His Excellency the Governor General? He says they merely wished to change their minds, but he knows better than that.

Mr. Pickersgill: I did say it was an error, did I not?

Mr. Diefenbaker: Oh, an error; it is more than an error. It is a colossal example of the

negligence that characterizes too frequently the actions of the present government.

Well, from the third to the seventeenth, we—

Mr. Pickersgill: I am sure the hon. gentleman does not want to make an error; it was the twentieth.

Mr. Diefenbaker: Well, the hon. gentleman had more than three days of grace. For 17 days, the hon. member for Calgary South went about this country as Minister of Agriculture, denuded of his major powers. I doubt whether he knew anything about it. It is said, however, on responsible authority that a power struggle is taking place. I want to be fair. The minister gave an interview on March 20 in Calgary and he said this:

> We have had no arguments about this. We could not afford to have arguments. We are only a minority government. If we were to fight, we would not be there.

Well, that is sound reasoning. All I can say about that is that for 17 days he acted as a minister, carrying out responsibilities that had been removed from him. I need not add any more in that regard. It shows the slip-shod methods, the short cuts through parliamentary requirements and responsibilities, the denial of the rule of law that, while regarded as casual by the Minister of Transport, seriously challenge the responsibility of a government that would permit such things to happen.

On the twentieth, the order in council of the third was cancelled. The minister has said, as I understand it, that there was no expenditure of money made during those 17 days under the direction of the Minister of Agriculture.

Mr. Pickersgill: I think perhaps the right hon. gentleman would want to have it technically accurate. I said one authorized personally by the Minister of Agriculture.

Mr. Diefenbaker: I can see the distinction the minister has in mind. We want to find out what orders were made during the period from the third to the twentieth that were signed by the Minister of Agriculture in respect of this department, authority over which he no longer had.

Mr. Pickersgill: I gave that in my statement. I think I said there were eight ARDA agreements signed, four with Ontario and four with Nova Scotia.

Mr. Diefenbaker: Does the minister say nothing else took place?

Mr. Pickersgill: That is all of which there seems to be any record.

Mr. Diefenbaker: I think the first thing the government will have to do will be to have the Minister of Forestry sign those agreements, otherwise they will not be effective. I think that there should be an explanation of what took place on the twentieth, for from February 20 until March 3, was it, another order in council was then passed. What happened during that period of time? Once the Minister of Agriculture was denuded of powers and they were transferred to the Department of Forestry, unless there was an explicit order in council retransferring those powers to the Minister of Agriculture, the mere abrogation on the twentieth of the earlier order in council would not be effective. I think they will have to pass an order in council to ratify what was done. Indeed, when they have done that they will have to come before the house and ask, and they will receive—ask and ye shall receive—forgiveness for what they did and legalization for what they ought not to have done.

Mr. Knowles: Mr. Chairman, the government perhaps deserves to be congratulated upon the honesty of the statement that has been made on its behalf today by the Minister of Transport. I think that, particularly in the last few sentences used by the Leader of the Opposition, the proper treatment has been given to the government for what it has done. Even so, Mr. Chairman, I believe that one or two things might be added, and that I might be permitted to add them because of the points that I raised on orders of the day when we first learned of these errors, to quote the Minister of Transport, that were made by the government.

Some of us on this side of the house made a number of statements that might have been called charges or allegations, and some of them the Minister of Transport admitted today to be correct. We contended that once the order in council of February 3 had been passed, the government had no legal right not to put its terms into effect. The Minister of Transport has now admitted that but says it was only a technical error. He says the order in council should have been revoked right away instead of leaving it there for 17 days. At least, he has now admitted the correctness of the charge that was made from this side of the house.

I remind him of an occasion when the previous government was in power when it, too, forgot to pass an order in council amending a decision that had been made. The then member for Bonavista-Twillingate thought this was a case of fumbling, or whatever term it was he applied to the government of that day. This was the occasion when the previous government, by order in council, appointed Hon. Earl Rowe as lieutenant

governor of Ontario. Hon. members will recall that the first order in council not only appointed Hon. Earl Rowe to that position but fixed the date on which he would begin his new duties. Later, the then government decided to change the date, I think it was by exactly one month, but for some days or weeks the then government forgot to pass an amending order in council to change that date. As the Minister of Transport will recall, this was drawn to that government's attention in an interesting way, and it corrected its mistake by quickly passing an order in council amending the previous one.

No harm was done by this error or oversight in the intervening period, and all that happened was that a news report was not substantiated by an order in council. At any rate, the present government realizes it can make the same kind of mistake that the former government made. It too can delay by forgetting, if you will, to pass an order in council it ought to pass.

But the main point about what I am saying in this portion of my remarks is that the government has now admitted what we contended when we raised this matter on orders of the day, that the government had no legal right—just because the ministers decided it between themselves—not to put into effect the provisions of order in council P.C. 1964-157 of February 3.

Another point we made when we complained about this was that there was a 17 day period during which there was a possibility some of the acts of one or other of the ministers might be illegal. At the time it was contended that we were making wild charges, but in his statement today the minister has admitted that this was a possibility, to the extent of saying some of the acts, orders and expenditures have been checked or are being checked. The minister has also admitted that the government is prepared, if necessary, to get another signature on some of the agreements that were signed or to take any validating action that may be necessary.

As I say, this simply adds up to a confirmation of the point that we made, that there was some question about the legality of actions between February 3 and February 20, 1964. Even though we are treating this matter today in the friendly mood one would expect, after a confession on the part of the government, and after the kind of words the Leader of the Opposition has used on this, the 24th anniversary of his first election to the House of Commons, a day some of us remember very well, we must not overlook the seriousness of what is before us. If the rule of law means anything, then surely the people who should be most zealous in carrying it out are those who make up the government of the day. We hope, as a result of this experience, this kind of thing will not happen again. However, the trouble is that it is too often we have to stand up in the house and say we hope this sort of thing will not happen again, yet it goes on happening.

The other contention that was made by me—I do not know if others made it—was that the government should have published the orders in council of February 3 and February 20 in the Canada Gazette, part II. The Minister of Transport gives two reasons by way of defence for this not having been done. On the one hand he says it never has been done in the past, that orders in council under the Public Service Rearrangement and Transfer of Duties Act have not been published in the Canada Gazette, part II. The other defence he uses is that the language of the Regulations Act refers to orders in council having legislative effect.

I would like to deal with that second point for just a moment. It is quite true—in fact I read this portion of the Regulations Act—

Mr. Pickersgill: Could I ask the hon. gentleman a question. The hon. gentleman, who is very assiduous in all these matters, was here in 1950 when the Regulations Act was passed. He was here when the original consolidation of the statutory orders and regulations was made. He was also here when the revision of the statutory orders was made in 1955, and during all that time a great number of orders were passed under the transfer of duties act. They were never put in the original revision; they were never put in the revised document and were never published at any time and, since there were 21 in a six year period, there were probably at least twice that many in the whole period since then. In view of that, does the hon. gentleman think that now suddenly a change should have been made from the practice that was followed, going right back to the passing of the Regulations Act?

Mr. Knowles: I shall deal with that, but first may I confirm what the Minister of Transport has said, that I was here on all those occasions to which he referred. In fact I have a volume of the 1950 *Hansard* in my hand and I shall be quoting from it. I shall not be quoting from myself, but there are things in it to indicate that I took part in that debate, and I remember it very well. But may I interject at this point to say that the fact it has always been done a certain way does not necessarily mean that is the right way and that it is in conformity with the law.

It may be that this incident is the kind that tests the practice, and brings out the

fact that perchance the practice has not been in conformity with the law or with what was the spirit and intent of the law.

It is clear, as I was about to point out, that the Regulations Act defines a regulation for the purposes of the Regulations Act as:

—a rule, order, regulation, bylaw or proclamation (i) made, in the exercise of a legislative power conferred by or under an act of parliament, by the governor in council—

—and so on. Section 6 of the act says:

(1) every regulation shall be published in English and in French in the Canada Gazette within 30 days after it is made.

I should like to take a minute to dwell on the word "legislative." The act says:

—a rule, order, regulation, bylaw or proclamation (i) made, in the exercise of a legislative power—

The minister seeks to draw a line between legislative and administrative functions, and I suggest that may be a line which the government has been drawing without the right to draw it in the way it has done.

I have checked each of the four statutes to which reference was made in the order in council of February 3, the Agricultural Farm Credit Act, the Maritime Marshland Rehabilitation and Development Act, the Rehabilitation Act and the Prairie Farm Rehabilitation Act. In each of those statutes, in words enacted by parliament, it is prescribed by legislation that the minister means the Minister of Agriculture. Parliament in its legislative capacity so ordered.

The effect of order in council P.C. 1964-157, as is the same with subsequent orders in council in this field, is to change a fact that was determined by parliament, to change a situation ordered by legislation. By virtue of this order in council these four acts were changed and the minister, instead of being the Minister of Agriculture, became the Minister of Forestry. I suggest, Mr. Chairman, that in effect that is the exercise of a legislative authority, that it is actually a case of legislating, and that the government does not get around this by calling it administrative.

I recognize that there were 21 of these orders in council during a six year period referred to that were not published, and it may be there were many more during the years the Liberals were in power. But I should like to read to the Minister of Transport a portion of what the then prime minister, Right Hon. Mr. St. Laurent, said on June 12, 1950, as reported in *Hansard* at page 3497. This was on the occasion when we were passing the Regulations Act, under which we still operate. We were dealing with the definition, a portion of which I have just read, and Mr. St. Laurent said this:

[Mr. Knowles.]

With respect to this definition, I want to state again that we found it would not be possible or prudent to make statutory exemptions with respect to the application of this statute. We wanted it to include everything, to make it necessary for us to call attention to anything that was not going to be governed by it. So we said we would make it as sweeping as possible so it would apply to every kind of order that has legislative effect, made under authority given by parliament; and if we wanted to take anything out of that general, sweeping declaration we would have to call attention to what we were taking out so if there should be any controversy as to whether it should be in or out the matter would be brought to the attention of hon. members and the public.

In other words, Mr. St. Laurent was dealing with three things—the definition, section 6, which calls for publication, and section 9 which permits a special order in council to exempt certain other orders and regulations from publication. The whole spirit of the legislation as presented to us on that occasion was that the inclusions were to be of a sweeping nature comprising everything that had legislative effect or was done in the exercise of legislative authority unless the government felt something should be omitted, in which case there had to be a special order in council exempting that class of order from publication.

I have not been able to find any indication of any order in council which exempts from publication orders in council made under the provisions of the Public Service Rearrangement and Transfer of Duties Act. It may well be that a mistake has been made during the years in not publishing orders in council made under this act, but the statutes of Canada are quite clear. Members opposite say, in the case of the four statutes we are talking about, that the changes made in the status of the Minister of Agriculture were only administrative, that they did not have to publish the orders in the Canada Gazette. I grant that there was no deliberate concealment. The matter got into the newspapers and, once we learned about them, the orders in council could be obtained by asking for them at the privy council office. But, for my part, I did not know of their existence until I read about it in a newspaper.

Let us say that there is no case against the government of deliberate concealment, but the failure to publish this kind of order in council means that for a period of time the law of Canada has been changed by the cabinet. I suggest the argument that this has not been done over the years since the new method of procedure came into being does not justify the government's failure to comply with the appropriate statute. It certainly does not justify this particular example. I think what we have gone though now makes it clear that the pattern ought to be changed and that orders in council passed under the

Public Service Rearrangement and Transfer of Duties Act ought to be published in the Canada Gazette so that there may be no question but that these things will be found out.

This is an embarrassing situation. The government felt happy that it was not obliged to publish this, so that it would have time to sort things out. But parliament depends upon the operation of the rule of law in a matter such as this. I join with the Leader of the Opposition in saying that if the government finds, on further consideration, that it needs some legislative enactment to cover the errors, then because of the spirit of contrition in which the Minister of Transport has come before the house we shall be forgiving, and pass any such enactment. But I hope that as a result of this experience a little more attention will be paid to the niceties of keeping the law, because not just niceties are involved in this question, but the whole question of the rule of law itself.

Mr. Baldwin: May I ask the hon. member a question, to fill in the time between now and five o'clock? When the hon. member referred to section 9 of the Regulations Act he used an argument which I had in mind. He said he was not able to find an order in council which did, in fact, exempt any regulation or class of regulations. Do I understand him to say that no such order in council was passed, or that notice of such an order was not published?

Mr. Knowles: I said I know of no order in council under section 9 exempting from publication orders in council passed under the Public Service Rearrangement and Transfer of Duties Act. Oh, there are a number of orders in council under section 9 passed to exempt certain classes of order in council from publication. The best example of this type of thing was given by Mr. St. Laurent, as reported on the same page of *Hansard* from which I was quoting earlier, when he talked about orders given from time to time from the control towers at our airfields. These would be multitudinous. There are orders in council under the section excepting that class of order in council or regulation from publication.

Again, I think the government acted as it did simply because it believed this was an administrative matter. I think it was both a mistake and a contravention of the clear terms of section 6 of the Regulations Act.

Mr. Bell: Can we be assured there were no penalties of a quasi-judicial nature imposed by these regulations? If there were, I think they could be seriously challenged.

Mr. Pickersgill: To the best of my knowledge—and I can assure the hon. gentleman that a very careful search has been made by people much more competent than I am to do so—there was nothing in that category at all.

Progress reported.

BUSINESS OF THE HOUSE

REQUEST TO PROCEED WITH GOVERNMENT BUSINESS DURING PRIVATE MEMBERS' HOUR

Mr. Favreau: By unanimous consent of the house I move that this house proceed with government business until six o'clock.

Mr. Howard: Before agreement is reached, I should like to point out that it was on the understanding that the business which the government wishes to see concluded before Easter would be completed before six o'clock that we agreed to proceed and dispense with the private members' hour.

Mr. Deputy Speaker: Is that agreed?

Some hon. Members: Agreed.

Mr. Pickersgill: Mr. Speaker, before you leave the chair—

Mr. Knowles: Mr. Speaker, just one technical point. I readily agree to this but I think it should be by agreement, rather than by motion. We do this all the time by agreement, and if we get too many precedents through doing things of this nature by motion we may find ourselves in some awkward situations.

Mr. Favreau: Let me make it clear that it is by agreement and on the assumption that everybody tries to get the business of the house through by six.

Mr. Churchill: What happens if we do not? Let us be clear about this. What happens if by six o'clock we have not finished the program which the government have in mind?

Mr. Favreau: May I suggest to the house leader for the opposition that we reserve decision on that point till then, if we get to that point.

Mr. Churchill: No.

Mr. Diefenbaker: Mr. Speaker, before we start at all, what are the items which have to be passed? Because we are not going to be placed in the position of the government simply choosing the items which ought to be passed. We are certainly not going to pass the supplementary estimates before the house at this time, regardless of the circumstances.

Mr. Favreau: I hope I have not been misunderstood, Mr. Speaker. I propose to ask unanimous consent of the house, when we

reach that point, to sit later this day to see how far we can go with these supplementaries.

Mr. Churchill: Mr. Speaker, let us settle this matter. The minister says "to see how far we can go". What happens if we do not get very far? Do we complete the business and have an Easter recess or do we not?

Mr. Favreau: I think it would be proper if I were allowed to confer with hon. gentlemen while the next hour proceeds.

Mr. Howard: If the views of the right hon. Leader of the Opposition prevail, then we may as well come back on Monday and proceed from there.

Mr. Diefenbaker: Mr. Speaker, it is not a question of my view or anybody else's. Hundreds of millions of dollars of supplementary estimates have to be looked into, and this house cannot permit itself to be made the puppet of the government and to pass these things without full consideration being given to them. I want to make that clear. It is not an attitude of endeavouring to obstruct; it is an attitude of ensuring that we discharge our responsibilities. The organization of the house and the business of the house rests with the government. If the government wanted to get these estimates through they should have introduced them earlier or made time available to discuss them fully.

Mr. Favreau: Mr. Speaker, I respectfully submit that in what I said was clearly implied the conclusion that I agree with the right hon. gentleman's proposition that estimates are not to be passed without all due consideration. That is precisely why I said that if we were not through with the estimates by six o'clock I would propose, and I think this is the right thing to do, to ask this house to sit later this day. Of course, if we have to come back on Monday we will, but it may well be it will not be necessary.

Mr. Nasserden: Mr. Speaker, I believe the remarks made by the house leader on the other side are altogether unexpected at this time. He has suggested we should come back here on Monday. After the instructions given the house during the last few days, hon. members have made reservations. In view of the Easter holiday and all that is implied therein this is, I submit, a very unexpected suggestion from the house leader, and one which we did not expect of him.

Motion (Mr. Favreau) agreed to.

[Mr. Favreau.]

DOMINION-PROVINCIAL CONFERENCE

DELEGATION TO REPRESENT FEDERAL GOVERNMENT

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, before you leave the chair I wonder if I can give the house, with unanimous consent, the information asked for earlier today concerning the federal delegation to the federal-provincial conference; and perhaps I might be permitted to table an outline of the proposed agenda, and if it met with the wishes of the house even have it made an appendix to *Hansard* so that it will be available for information purposes.

Mr. Deputy Speaker: Is it agreed that we revert to government motions?

Some hon. Members: Agreed.

Mr. Pickersgill: The ministerial members of the federal delegation—that is all I will take the time of the house to give—are the Prime Minister (Mr. Pearson), the Minister of Finance (Mr. Gordon), the Secretary of State (Mr. Lamontagne), the Minister of Labour (Mr. MacEachen), the Minister of National Health and Welfare (Miss LaMarsh), the Minister of Justice (Mr. Favreau), the Minister of Agriculture (Mr. Hays) and the Minister of Forestry (Mr. Sauve).

Mr. Nielsen: I wonder if I might ask the Acting Prime Minister, since I did not hear the name of the minister of northern affairs mentioned, who will be representing the governments of the Yukon and the Northwest Territories at the conference?

Mr. Pickersgill: The Prime Minister of Canada.

Mr. Knowles: Mr. Speaker, was it agreed, as I hope it was, that this document and the material connected with it will be made an appendix to *Hansard* for today?

Mr. Deputy Speaker: Is it so agreed and ordered by the house?

Some hon. Members: Agreed.

[*Editor's note: For abovementioned document see appendix.*]

BUSINESS OF THE HOUSE

The Clerk Assistant having called the order of business: Government orders; house again in committee of supply.

Mr. Nugent: Mr. Speaker, on a point of order, I do not see how we can go into committee of supply when this is private members' hour and we have not agreed to waive it.

Mr. Deputy Speaker: It was the understanding of the Chair that there was agreement to the proposal made by the house leader that private members' hour would be postponed.

Mr. Favreau: Mr. Speaker, I understood there was agreement, and the agreement was that this was not a device to force estimates to be voted hastily or while hon. members still wanted to talk. But I did understand there was agreement that private members' hour was being waived to allow us to go on with government business.

Mr. Deputy Speaker: I should like to know what is the wish of the house. If the desire of the house is that we postpone private members' hour then we will, of course, revert to government orders.

Mr. Nugent: The hon. member for Skeena (Mr. Howard) said he would agree to the postponement only on the condition that government business would be finished. If that agreement has been withdrawn, then that is all right.

Mr. Deputy Speaker: I understood the matter had been settled by subsequent discussion.

Mr. Howard: Mr. Speaker, there were no conditions attached at all. I said we would agree to postpone private members' hour on the general assumption that there would be a desire to try and finish by that time; but if we do not finish the consideration of the estimates by that time, then at six o'clock we should look very seriously at whether or not we should come back on Monday and do so. I am prepared to come back on Monday and all next week if necessary.

Mr. Deputy Speaker: Is it now agreed that the house will return to government orders?

Some hon. Members: Agreed.

SUPPLY

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

The Chairman: Order. House again in committee of supply, Department of Agriculture, vote 1e.

Mr. Churchill: No, we are on citizenship and immigration.

The Chairman: The chairman of the committee called the Department of Agriculture earlier this afternoon. We were apparently on that before five o'clock. If it is the desire of the committee that we now call citizenship and immigration then the Chair is in the hands of the committee.

Mr. Gordon: I would suggest that, having reverted to agriculture, we should proceed with it, Mr. Chairman.

Mr. Bigg: I believe I had the floor when we were talking on immigration. I am willing to yield it, provided I have the opportunity to continue at a later date.

The Chairman: I am sure the committee would have no objection to that.

DEPARTMENT OF AGRICULTURE

1e.—Departmental administration—to extend the purposes of vote 1 of the main estimates for 1963-64 to include the gift detailed in these estimates and to provide a further amount of $60,000.

Mr. Howard: Mr. Chairman, earlier we were discussing the activities of the government under the transfer of duties act in transferring certain responsibilities from the Minister of Agriculture. I would suggest that they would do Canada a much greater service if they were to transfer some more duties from the Minister of Agriculture, namely his function under the Cold Storage Act as that act applies to fisheries products.

Mr. Knowles: We could put the Minister of Agriculture in cold storage.

Mr. Howard: My colleague says that we could put the Minister of Agriculture in cold storage, if desired. That is something the government will have to consider, not me. But I would earnestly appeal to the government to consider my request and would point out that we used to put forward this point of view years ago when the hon. member for Bonavista-Twillingate was merely the hon. member for Bonavista-Twillingate and not a member of the cabinet. I would ask him to take up the cudgels while he is in cabinet as he used to when he sat on this side of the house, in order to get some decent and fair consideration for fishermen under the Cold Storage Act. Right now they are being completely swamped with the situation that exists in agriculture, and no fair or reasonable consideration is being given to the requests and desires of these people for subsidies and subventions under the Cold Storage Act for purely fisheries products. If the government would take that course and make another transfer of duties and exclude the Minister of Agriculture from dealing with this matter, I am sure we would be much better off.

Mr. Hays: I would just like to comment on this matter, Mr. Chairman. In so far as cold storage is concerned, we have taken a very close look at every application we have received and most of them have been approved. Hon. members will remember that the previous government had an austerity program and

cold storage grants were frozen; but I suggest that we have approved more applications in the last few weeks than were approved in the preceding 18 months.

While I am on my feet, Mr. Chairman, there is one thing I should like to mention in connection with what has been said this afternoon. I think hon. members of the house will be interested to know that so far as the Department of Agriculture is concerned, we are interested first in farmers across Canada and the job we can do for farmers. ARDA has been mentioned many times in this house, and I would like hon. members to know that although perhaps we have not talked about it very much, since May 1, 1963 until the present time the government has spent a little over $11 million on ARDA projects. The previous government, from the inception of the act on June 22, 1961 until the time I was appointed Minister of Agriculture, had carried out $2,185,000 worth of projects. I might say that since May 1 we have completed over five times as many ARDA projects, in dollars as the previous government.

I think I should possibly say something about feed grain because this is a very important matter to eastern farmers. Hon. members will recall that on August 27 we changed our feed grain policy whereby we would pay the storage on feed grain at eastern spots, and we would also pre-price the grain and provide the same price as applied to China or anywhere else. As a result of this policy we found that on March 12 we had 47 per cent more feed grain on spot in eastern locations than we had a year ago; that we will not have to bring one bushel by rail, and the prices have been stabilized. I do not have the most recent figures, but from the middle of October until the middle of February there was no substantial change in price. I should also perhaps mention something about farm credit.

Mr. Vincent: Mr. Chairman, could I ask a question at this point?

Mr. Hays: Yes.

Mr. Vincent: Has the minister the figures right now of the price of, let us say last October, 1963 and the price of January, 1964 or February, 1964, on oats and barley? Does the minister have those figures?

Mr. Hays: I could obtain them in a moment for the hon. member. I had that information at noon. There have been some changes up and down, but for the most part there has been no change in price. The fact that we have had the grain on spot is responsible for some stabilization in so far as price is concerned. On March 14 we had 21 million bushels of oats, wheat, barley and corn in eastern locations, and this will be ample to take care of the feed requirements of eastern Canada. As I pointed out before, this is 47 per cent more than was in eastern locations just a year ago.

With regard to farm credit, Mr. Chairman, some people think we have not done anything in this connection. I would like hon. members to know that from April 1, 1962 to March 31, 1963 the number of loans serviced was 7,438, for a total of $90,924,000 lent by the Farm Credit Corporation; and from April 1, 1963 to February 29, 1964 we serviced 8,613 loans for an amount of $106,708,000. It is perhaps well for hon. members to know at this time that I was in complete agreement with the changes so far as my department was concerned. Personalities were not involved at all. We asked ourselves, "What is good for agriculture? How can we better serve the farmers"? That was the only thing we had in mind.

Some hon. Members: Hear, hear.

Mr. Hays: My department has over 30 acts to administer and employs something over 10,000 people. Taking ARDA away from the department will reduce that number by eight or ten employees, and as far as the administration of feed grain is concerned, not more than one employee will be affected in this transfer. So I will lose possibly eight or ten people from my staff of 10,000. I know that ARDA is very important as far as farmers are concerned. I think this is exemplified by the fact that our government believes in it; we believe it is a good act—the early planning of it goes back to 1955—and since May 1, 1963 we have done five times more than was done by the previous government.

Mr. Howard: Mr. Chairman, I wonder whether I could pose one question to the minister about cold storage activities. I think the minister said that in the last few weeks they have approved more applications under the Cold Storage Act than were approved in the previous 18 months. Did I hear the minister correctly?

Mr. Hays: This figure may not be too accurate; I do not have the exact figures here and I would not want to mislead the committee as far as this matter is concerned. We feel that more thought should be given to the question of cold storage, because I personally do not believe that the grants are doing the big job that is required today with regard to cold storage, We have apples to think of, fish, vegetables and all these things, and it seems to us that there should be some change in policy. Nevertheless we are giving careful consideration to the applications that come to us. We are considering them on their merit so we can do something in this regard

where co-ops and people are going to be affected, until such time as we have an opportunity to present new legislation which will include a change of policy which we think will do a better job for all those in need of assistance across Canada.

Mr. Howard: Has the austerity program been rescinded or is it still in effect?

Mr. Ricard: They wouldn't know what it is anyway.

Mr. Hays: This program is partially in effect. As I said, we are considering each application on its merits.

Mr. Nugent: Mr. Chairman, I wanted to say a few words first about the statement made by the Minister of Transport on behalf of the Prime Minister on the point that I raised originally in this house with regard to the possibility of the illegality of any action taken by the government between February 3 and February 20. My first reaction to the rather lengthy statement of the minister was rather one of great disappointment. Hon. members will recall, I am sure, that we made quite a to-do about this and many questions were asked in the house. We asked for a strong opinion as to the legality. We felt it was necessary for this house to be reassured that any actions taken by the government during that period were legal, and I suggested that remedial, retroactive legislation would have to be introduced.

The statement read by the minister certainly contained no strong legal opinion. In fact, there were one or two suggestions in it that led me to believe that the legal advisers could go no further than to suggest that the government might get away by bringing in the word "technicality" and by making statements such as no member of the public was affected by anything done in this period. If this is the sort of statement that the government is going to make in order to try to whitewash this matter, if the government is going to give us a nebulous statement of this sort instead of the candid opinion we have asked for, then I am sure the house has to inquire a little further.

I noticed yesterday that the government asked to stand two motions by the hon. member for Provencher, under notices of motions for the production of papers. These items dealt directly with action that could have been taken during the period in question and if that information was before us we would be able to determine for ourselves just how far the government has to go to patch up the series of blunders that occurred during this period. I found also that I was more than a little shaken by the effrontery of the government with regard to the manner in which they deal with their duties, and the way in which they regard orders in council. An order in council is passed which has the force of law. It affects departments that are very important and the attitude of the cabinet seems to be that it does not matter what the law is, that it does not matter whether the action is legal, that they will do what they like, fix it up somehow and push it through.

I should have liked to hear further assurance from the minister than just that he would have the Minister of Forestry sign these eight ARDA agreements. I may not be the best lawyer in the house but in my opinion this may not take care of the legality of the situation at all. I do not believe the Minister of Agriculture had the authority to sign those agreements. In other words, they are not in effect now, and that is not a mere technicality. Complete absence of authority cannot by any stretch of the imagination be called a technicality. The Minister of Agriculture had no authority. These agreements are not in force in law and I do not think the signing of them now by the Minister of Forestry will give them legal effect.

We would like to hear from the minister that he is going to bring in retroactive, remedial legislation at the earliest opportunity. I know it is a little difficult to conceive of the government bringing it in this evening. Right after Easter would do. I was also somewhat shocked by the suggestion of the house leader that these estimates have to be passed tonight. I remember asking the Prime Minister on Monday to discontinue the budget debate. Once the budget was presented to the house there was no need to carry on with the very general budget debate.

The government knew quite well that it had to have interim supply. The government now says that these estimates have to be passed, but if that is so they also knew that before. Despite requests from this side the government persisted in continuing with the budget debate on the first two days of this week. In my opinion it again shows the government's contempt for parliament that they will unnecessarily spend two days on the budget debate and at the last minute come on their knees and say that these estimates have got to be passed.

This attitude makes me somewhat fed up because there was a speech I very much wanted to make this afternoon on interim supply. The Minister of Northern Affairs and National Resources referred to me this morning rather gratuitously and rather unfairly, I thought, and the speech I have had ready for two weeks waiting for an opportunity to deliver it is still resting here. I want to make that speech on northern affairs because I

think it is very necessary that the minister take a little instruction. But in order to assist the government and because I thought it was necessary to pass interim supply I sat and said nothing. I am prepared not to have the opportunity to make the speech before Easter, if that is necessary, but if the government thinks it is going to get these estimates passed before the house adjourns for Easter, then all I say is I am sure we will be back here next week, not because some members are stubborn, not because they refuse to co-operate, but simply because the government has taken the high-handed attitude that it is going to handle things the way it wants to and members are going to do as they are told by the government.

Mr. Diefenbaker: The steamroller.

Mr. Nugent: It has never been my opinion that the government is mightier than parliament and this is one time that we had better show the government it is not. I trust the government will content itself with the knowledge that these estimates are not going to be passed before Easter. If they had any honest belief that they should be passed before Easter, then they should have brought them in at a time when essential and necessary measures should have been discussed instead of insisting on proceeding with the budget debate.

Mr. Ricard: Mr. Chairman, I had no intention of speaking this afternoon but I see that the Minister of Agriculture is in the saddle. I also speak as one who represents a constituency which is very much interested in agriculture, and I do not feel I should let this opportunity go by without saying anything. We have been accustomed to listen to the Minister of Agriculture tell us that everything has been bright and rosy since he has been the minister, but I should like the minister to come with me and consult the agriculturists and farmers of my riding and also the agriculturists of the whole of Canada. If he did so he would indeed find that their story is different from the one he tries to put across. I have before me a clipping from the Manitoba *Co-Operator* of February, 1964, and contrary to what the minister would like us to believe prices are going down rather than up under his efficient and able direction. I should like to refer to the average price for good slaughter steers for 1962 compared with 1963 on the Toronto market. For 1962 good steers averaged $25.65 whereas in 1963 under the minister's able leadership they only averaged $23.65 per hundred pounds. What about hogs, grade A, Mr. Chairman? In 1962 the average price for grade A hogs was $29.60 whereas under his great leadership they only averaged $27.80. And so on.

It was music to us a while ago to hear the Minister of Agriculture say that ARDA was a great law and that it was the hope of the agriculturists and farmers of Canada. But he went on to say that the credit for it should go to the Liberal party. You and I know, Mr. Chairman, that the ARDA program was instituted under the leadership of the Leader of the Opposition and also with the co-operation of the then minister of agriculture, the hon. member for Qu'Appelle, who is now, although he is in the opposition, on a trip abroad selling Canada and the products of Canada. Let it be known to the whole country that faith in agricultural policies was never greater than when the Conservatives were in power from 1957 until 1963.

The Conservatives were the ones who gave the farmers hope. We were the ones who instituted the stabilization act which was a general charter for farmers and permitted our farmers to know in advance from year to year the prices they would receive for their products. This measure gave our farmers some hope, and it was instituted long before the hon. member for Calgary South became the Minister of Agriculture.

I should like, Mr. Chairman, to refer to what the occupants of the treasury benches promised during the campaigns in 1962 and 1963 in order to deceive the farmers and in order to capture power. I have in front of me a pamphlet issued in 1962 in which they promised the farmers a minister of agriculture for eastern Canada. Where is that minister of agriculture? They have retreated on this matter just as they have on many others. They have been going backwards rather than going forward as our farmers would like them to do. One of the first things they did when they assumed office was to take away the 25-cent subsidy which was given to the producers of milk all across Canada. What was the effect of this action in my riding, as well as in the province of Quebec? During the time we were in office the total amount paid to farmers in Quebec under this subsidy program was about $21,800,000. In my own riding, the total subsidy payment was $1,576,000.

I should like the Minister of Agriculture to come to my riding and try to sell the farmers the idea that they are more prosperous under the leadership of the Liberals than they were under the leadership of the Conservatives. I should like him to come to my riding and go from farm to farm asking whether they prefer the leadership of the Conservative party or of the Liberal party. I am sure the answer he would receive would be that the Liberals

were trying to take away what our farmers deserve. I could not let this opportunity go by without asking the Minister of Agriculture to re-establish this subsidy. It would not be a big chore for the government to back up because it has been backing up ever since it came into office. The government is always putting forth legislation and then taking it away. Once more I would ask the minister finally to accept the fact that the farmers want this 25 cents per hundred subsidy on milk re-established.

I am speaking here on behalf of my fellow farmers in the riding of St. Hyacinthe-Bagot. I want nothing more or nothing less than the best that can be obtained for the farmers of my riding and the farmers of Quebec. I am imploring the minister to re-establish this 25-cent subsidy because I am telling him he is the cause of the farmers in my riding losing thousands of dollars. I think it is my duty to bring this matter to the attention of the government. Even if I have to get down on my knees to ask for the re-establishment of this 25-cent subsidy for the benefit of my farmers, I would do so.

Mr. Fisher: I am always trying to catch up on things that have happened here in the past, and in his remarks the minister referred to the fact—I was not completely clear on this—that in the year 1955 the government of that day, I presume a Liberal government, had done something or created something or was involved in something like ARDA. This is a complete mystery to me and I think the minister having raised it should satisfy our curiosity and interest.

Mr. Hays: In answer to the hon. member I may say that I was referring to the Senate committee on land use. It was as a result of the findings of that committee in so far as rural rehabilitation was concerned that this program was developed.

Mr. Fisher: This is delightful. I know the minister is relatively new to federal politics, but this is the first time I have heard that the Senate committee on land use had anything to do with the development of ARDA. I think I am one of the few members who has read the proceedings of that committee carefully.

I do not come from an agricultural or farming riding. All one has to do is to look at the Laurentian shield and you know why. We have a tremendous area of cut-over forest land or what might be called settlers' areas. This is a problem that runs all the way from northern Ontario through Manitoba and Saskatchewan and, certainly, it is very prevalent in Quebec. One of the reasons those of us from these areas were so enthusiastic about the ARDA concept was that at last we had a program that offered a marriage betwen forestry and agriculture, and a program that could go into those regions where far too much of the forest had been eliminated, in so far as agriculture was concerned, to suit the wishes and needs of bygone generations.

I may tell the minister that we were involved in a committee on lands, forests and waters a few years ago and also in a committee on agriculture, and both of these committees came forward with suggestions which I might refer the minister to, and which predated the introduction of ARDA. In so far as the Senate committee on land use is concerned, I recall that they brought in experts from all across the country to express opinions but they did not take the trouble of crystallizing all the evidence and offering recommendations. Perhaps the minister is suggesting that all the time the officials of the Department of Agriculture were moving toward the ARDA concept, as a result of what the Senate committee on land use was uncovering. This would be sensational if it is factual. Again I cannot believe it because I know how difficult a time the previous government had selling the ARDA concept to the officials of the Department of Agriculture. One of the reasons the minister can stand up and take credit for $11 million under his regime, in contrast with only $2 million under the previous regime, is just because of that lack of enthusiasm on the part of the permanent officials of the Department of Agriculture.

The minister made the point that he did not lose many people in the way of employees by the slough off of ARDA to the Minister of Forestry. This proves the point. The Department of Agriculture and its senior officials never had any great enthusiasm for ARDA. That is one of the reasons why the program has crept and limped along. At the time he lost his portfolio due to the last general election, the previous minister of agriculture was working up a pretty heavy head of steam and temper about the response from the department, and for the minister to come in here and give the impression he is bulling ARDA through to greater success is much more than I can take.

This is neither the time nor the occasion for the rebuttal of the partisan hyperbole which the minister engaged in, but I do not believe any minister of the crown should be allowed to get away with that kind of stuff in this chamber. I suggest that due to the different things which have happened in the last month or so, despite the way they happened, we have at last got an imaginative program like ARDA not only out of the hands

of the officials of the Department of Agriculture but out of the minister's hands, and that that is good.

Mr. Hays: Almost any day, Mr. Chairman, I can pick up a paper and see where a lot of wind has come from some corners. I am hearing a little more of that wind today. I would like to assure the hon. member that it is something to talk, but it is something else to do things. All I am saying is that we are doing something with ARDA. We are not just talking about it, like it has been talked about this afternoon.

Mr. Bigg: I have been waiting for some months to reach the Department of Agriculture estimates and I am very pleased to see the minister here today, apparently quite ready to take on all comers and answer a few questions. Dealing first with the Farm Credit Act, I would like to know how many loans would have been made to farmers if those loans had not been arranged at 5 per cent by the previous administration?

Further, it takes a great deal of time to process all loan proposals. It took our administration time to process them, and I would suggest 50 per cent of the loans for which the minister has taken credit were already well processed by the time he took office.

I am glad to see that the minister supports the farm credit program. It loosens up credit all across the nation, and has made it possible for the family farmer to get on his feet. I can only compliment the minister on supporting this program.

In his public utterances the minister, time and time again, has suggested that all the problems of agriculture are well in hand.

Some hon. Members: Hear, hear.

Mr. Bigg: You may well cheer, but see if you cheer when I finish. It is fine for people who have had good crops and who had grain to sell under the imaginative sales program which we launched. They have sold their grain at good prices, but what about the people who did not have crops? They are the people who need crop insurance, and I want some action taken in my province through co-operation between the federal government and the Alberta government to see to it that the small farmer who does not get a crop has some security.

In my district of Athabasca we were not fortunate last year. We did not have a great crop and the people there do not think all the problems of agriculture are solved. They are looking for something like the acreage payments they used to get. They got them three times in three bad crop years and it saved them. It may be that some of my colleagues have sympathy with rich farmers. I know the Minister of Agriculture has, but the people I am talking about think that $200 to buy underwear for their children is important. If they do not get acreage payments they will want to know why. They need this kind of help.

I am pleased to see that the price of hogs has not fallen to disaster levels. It is always possible that it may reach the danger point. I am not going to blame the Minister of Agriculture for this, but I suggest he should not wait to do something until it reaches disaster levels.

I am personally in favour of the hog quota. I have never believed in supporting hog prices across the board, but I do believe in a reasonable family farm quota, and if prices continue to slip I suggest that the minister lower the hog quota to 75 and increase the support price to 25 cents a pound. If he looks at the statistics over the past five years he will see that, from the time our administration introduced this scheme, it has not cost the people of Canada one cent in deficiency payments. Before that it used to cost them from $23 million to $24 million a year to support hog prices. I suggest that the minister should not forget the lessons of the past. He should lower the quota when there is a danger of overproduction and lower prices, and raise the price which the small farmer gets.

I can say the same thing about the grade A hog bonus, and I suggest the minister look at the statistics showing how many grade A hogs were raised due to the sensible program of supporting the price of grade A hogs with the $3 bonus. With the price per pound that the farmer gets, and with the addition of the grade A bonus, it makes all the difference to him.

If the Liberal government has no program for agriculture, and I have reason to believe it has none, I suggest it take the advice of the farm unions. We took the suggestions made by the farm unions and they were put into effect by our minister of agriculture. The problems of agriculture have only been scratched, but to come to the question of the ARDA program—

Mr. Hays: Are you speaking of the Hon. Douglas Harkness or the Hon. Alvin Hamilton?

Mr. Bigg: I am speaking of our whole agricultural program. The stabilization prices act was introduced by Hon. Douglas Harkness.

Mr. Hays: Then give him credit.

Mr. Bigg: I have no quarrel whatsoever with our program from the time we took office. It was imaginative and the people of Canada know it was effective. The present minister is very proud of our wheat sales,

but I ask who made the breakthrough? Who promised the $2 wheat? We promised the $2 wheat and we produced it for the western farmer by selling the wheat we had. Look at the record. I have been consistent. I have always pressed for the sale of wheat to China, or to anybody else who wanted to buy it.

Now I want to speak about ARDA. It is a program I back, and I do so for this reason. I am a federal member of parliament. I am not only the member for Athabasca in Alberta but I represent every farmer in Canada, and the ARDA program will give the same kind of hope to the eastern farmer that the western farmer has now. I repeat that the western farmer's problems are not over by any means, but the ARDA program will give to the small eastern farmer the same kind of hope we have established west of Winnipeg. Let us give the credit for ARDA to whom it is due. Maybe the Liberals dreamed about this program quietly, but it was our administration which put it on the statute books.

[*Translation*]

Mr. Vincent: Mr. Chairman, I would have many things to say on the estimates of the Minister of Agriculture (Mr. Hays), but I find the situation we witnessed last year is still the same this year. Before the Christmas recess, we studied the estimates of the Department of Agriculture on the last day, and this year we study them at the last moment.

It seems the government intends to submit the estimates of the Department of Agriculture only when we have very little time to discuss them.

We would have much to say on the Department of Agriculture, and more particularly on the needs of the farmers.

At the present time, in eastern Canada, and especially in my province, farming papers contain editorials to which I would like today to call the attention of the house. I would mention in particular the editorial published in the newspaper *Terre de Chez Nous* on March 19, 1964, which was entitled:

Look out for fancy skating, Mr. Pearson.

And then we read:

Agriculture up for auction in Ottawa.

This well indicates the way our eastern Canada farmers and those of the province of Quebec understand the agricultural policy of the present government.

Some time ago, I put to the minister a question concerning ox and calf hides.

Nowadays packers and farmers sell such products at 6 cents a pound, that is $2.50 or $3 for an ox hide and about 75 cents for a calf hide.

I asked the Minister of Agriculture a question on that point, and he answered in these terms:

The problem is, Mr. Speaker, that we are eating in the neighbourhood of 6,000 head more cattle, so we have 6,000 more hides, and the population has not increased enough to absorb them in the use of leather goods.

That was the reply by the Minister of Agriculture.

Later on I received information from the Department of Trade and Commerce to the effect that in 1962, there were 2,452,320 ox-hides in the market in Canada, as against 2,462,996 in 1963.

Besides, if we refer to page 942 of *Hansard*, we find out that the price for cowhide, on the Canadian market, was 14.4 cents in 1963, compared with 13.8 cents on March 1, 1964.

Since I raised that matter on February 24 last and again on March 16, I would ask the minister if he can explain immediately why farmers and packers in my area must accept a price of 6 cents a pound when the market price, according to the Department of Trade and Commerce, is 13.8 cents a pound.

Also, I should like the minister to tell us, in view of the fact that the question was put to him on February 24, why farmers and packers in my area and in my province have to accept a price of 6 or 7 cents a pound for calf hide, when the Department of Trade and Commerce tells us that the market price, on March 1 last, was 20 cents a pound.

The minister can see that there is a big difference and he will understand that the farmers want to know why that price is much below the price I got from the Department of Trade and Commerce. Moreover, the minister maintains that our production is too high, and that there is no market for all those skins in Canada. He says that our exports to the United States and other countries are higher than our consumption.

Before going further, I am asking the Minister of Agriculture to tell me whether he has considered the problem and why the farmer does not receive the actual market price for his ox and calf skins.

Mr. Chairman, I am asking that question to the Minister of Agriculture, I asked the same question on February 24 last and I would like to know now whether he is in a position to answer today.

[*Text*]

Mr. Hays: I do not know. I cannot answer this question, and I am sure no one else can answer it. The law of supply and demand enters into these things and the hon. member's particular problem may be a regional problem. But I will be glad to look into it. This is the first time I have heard of it.

[*Translation*]

Mr. Vincent: I asked that question on February 24; that was almost two months ago.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Favreau: May I have permission to draw to the attention of the house the fact that unless, somehow, we have unanimous consent to proceed, then otherwise, under the rules this house will have to sit tomorrow, Good Friday, a course with which I personally would not agree. I therefore suggest that we give unanimous consent to carrying on with government business—that we should not adjourn at six o'clock tonight but that we carry on with government business as long as possible in order to see what advance can be made.

Mr. Diefenbaker: I point out immediately that the understanding was that there would be an adjournment, provided interim supply were passed. We passed interim supply. There never was any question that before the adjournment for Easter recess the supplementary estimates were to be passed. At no time was there such an understanding.

Here we have before us $240 million of supplementary estimates. Every session parliament is criticized for the precipitate pace with which it approves the expenditure of hundreds of millions of dollars without examination. Our responsibility is to carefully examine them. That responsibility is not discharged when a government proceeds as it has during the past few days. On Monday and Tuesday it proceeded with the budget debate. There was no reason in the world for that course unless the position of the government was that these supplementary estimates did not have to be passed.

Let me point out, Mr. Speaker, what took place in this house on March 23, as reported in the translation of the remarks of the hon. member for Chapleau (Mr. Laprise) at page 1358 of *Hansard*. The hon. member asked:

> Could the Prime Minister publish a notice showing the holidays of secretaries—

And so on. Then there is text by the Prime Minister underneath as follows:

> I thought it had already been indicated to the house that it is our hope and intention to adjourn Thursday evening and resume our session on April 6. There is one reservation to that, of course, and that is on the understanding that interim supply is passed by the house.

Now, that was the understanding, but it went further than had been the case on an earlier day; and the hon. member for Winnipeg South Centre (Mr. Churchill) commented:

> No, you did not say that the other day.

Then the house proceeded to give the government interim supply, as it should, because we have the fullest opportunity to examine expenditures. But to suggest that the house is to be browbeaten by the proposition that unless we concur and vote hundreds of millions of dollars we are going to sit on Good Friday is one which I say will not be acceptable to the people of Canada—let that be clear. This cannot be justified. As a matter of fact, I doubt whether the house could sit on that date without unanimous consent, although I will not say—

Mr. Pickersgill: Might I ask the right hon. gentleman a question. I do not know whether the right hon. gentleman caught the statement made by the house leader, which was that under the rules of the house we are bound to sit tomorrow at 11 a.m. unless there is unanimous consent to change the rules. The house leader said that he did not want to sit tomorrow, and I do not think any of us want to sit, but we will require unanimous consent to prevent us from sitting because there has not been 48 hours' notice.

Mr. Diefenbaker: Mr. Speaker, this sort of—

An hon. Member: Blackmail.

Mr. Diefenbaker: I will not use the word I have in mind. This is an endeavour to bamboozle the house and force us into a position where we vote hundreds of millions of dollars without examination. I say that there is no necessity for the passage of these supplementary estimates at this time; they can be passed after we return. It is not a question of holding up salaries because we have passed interim supply. I am beginning to realize now what the plan was—to waste the time by having the budget discussed. I am using the phrase "waste the time" in the sense that the time should have been used for discussion of the supplementary estimates.

The government now come along and say that we are going to sit tomorrow. The very suggestion that we sit this evening for a couple of hours and pass $200 million worth of supplementary estimates is a travesty of parliament, let me make that clear. We are not going to be placed in the position of being the puppets of those people over there who have not properly organized the business of the house.

Mr. Knowles: Mr. Speaker, with part of what the Leader of the Opposition (Mr. Diefenbaker) said we are in agreement. We are in this jam, and it has to be called that, because the program announced by the government on February 28 for the period up to Easter was later changed. On February 28 the program of business was outlined. It did not

include the budget. It was putting into that program not only the presentation of the budget but several days of budget debate which upset the schedule and put us in the position in which we find ourselves at this time. Nevertheless, Mr. Speaker, I think we should act as mature people and face the fact that this kind of thing frequently happens and that we do get to a place where certain necessities have to be met.

The Leader of the Opposition has read the answer of the Prime Minister (Mr. Pearson) to a question about another matter to support his contention that we were never told that the supplementaries have to be passed before the end of March. It was my understanding all the time that both interim supply and supplementary estimates had to be passed before the end of the fiscal year, but even if that understanding is not clear it seems to me it is the tidy thing to do. It seems to me that we have been bedevilled for a couple of years with estimates which have been dragging on which we have had to pass after the event, and it would be a good idea, if parliament wants to do things in a business-like way, to get all the estimates for the fiscal year 1963-64 out of the way before the end of that fiscal year. In other words, I think we should put the blame, as it should be put, on the government for changing the program and putting us in this jam; but as a parliament I think we should face the fact that something must be done and that we should decide without passion or a lot of emotion what we are going to do. If the Leader of the Opposition feels it is useless to sit tonight and that we cannot do all this in two or three hours, then that is a statement of fact and let it be put that way. I submit we should face the facts of our job and that we had better come back on Monday and Tuesday and try and finish it then.

[*Translation*]

Mr. Chapdelaine: Mr. Speaker, we are against any attempt by the government to use force and threats in order to hasten the passage of supplementary estimates. However, we do not think it is logical to delay their passage, since we shall have the opportunity, when the budget debate is resumed, to criticize the government about certain pieces of legislation we do not approve, along with other parties. If the official opposition is unwilling to allow those estimates to be considered more rapidly, it is merely to put grit in the bearings and not for some serious reasons, because they are well aware that they will have every opportunity to consider those supplementary estimates on resumption of the budget debate.

The members of our group do not want to prevent passage of those estimates and will readily agree to any compromise proposed so that they may be passed as soon as possible.

Mr. Caouette: Mr. Speaker, we do not agree, as I said earlier, to pass the supplementary estimates speedily and accept anything as if it were a mere pittance.

We are ready to sit tonight. As for sitting tomorrow, we object for several reasons. If we had to come back Monday or Tuesday, we are quite ready, but not without knowing exactly what the government requests. I find it hard to understand that we should always be placed in that situation. It was the same when the Conservative party was in power and now when they blame the Liberal party for acting this way, it is an indication of their lack of responsibility.

Anyway, we are prepared to co-operate, but not to pass in a lump sum all the estimates without previous scrutiny and consideration.

[*Text*]

Mr. Churchill: Mr. Speaker, I want to draw to the attention of the house that we now have under question the word of the Prime Minister of this country. This is not something that has come upon us suddenly. On March 11, as is reported at page 778 of *Hansard*, you find the heading "Business of the house" and then, "Announcement of Easter recess". Then there are the words of the Prime Minister as follows:

> I informed the house the other day that today I would announce the plans for the Easter recess. It is proposed, Mr. Speaker, that the house should adjourn at the end of business on Thursday, March 26 and reassemble on Monday, April 6.

An hon. Member: The business is not completed.

Mr. Churchill: Then, as has already been drawn to our attention, the Prime Minister of this country reaffirmed that position on March 23, and although the question that brought forth his answer was on another subject, nevertheless his answer referred to the adjournment of the house, and I repeat it. These are the words of the Prime Minister:

> Mr. Speaker, I thought it had already been indicated to the house that it is our hope and intention to adjourn Thursday evening and resume our session on April 6. There is one reservation to that, of course, and that is on the understanding that interim supply is passed by the house.

That is the word of the Prime Minister of this country. Everybody has made plans and arrangements based on that. With regard to the business of the house, we have gone through this time and time again, session after session, but we are not pressed at this particular moment to effect what the hon.

member for Winnipeg North Centre (Mr. Knowles) calls a "tidy operation", passing $240 million in just a few hours.

Mr. Knowles: On a question of privilege, Mr. Speaker, I made no such suggestion. The hon. member knows that I suggested we pass these items in this fiscal year, and I suggested that in view of what the Leader of the Opposition (Mr. Diefenbaker) said, we come back and do it decently and properly on Monday and Tuesday.

Some hon. Members: Hear, hear.

Mr. Churchill: *Hansard* will indicate what was said. The organization of the business of the house failed because of the obstinacy of the Minister of Finance (Mr. Gordon) insisting on having his budget discussed rather than dealing with these other matters, which are also his responsibility, namely the supplementary estimates. There are no salaries involved here. These are debts owed by the crown and can be settled in due course. But to ask us to continue and to sit on Good Friday or on Easter Monday is contrary to the given word of the Prime Minister.

May I also draw your attention, Mr. Speaker, to the fact that two years ago the Liberal party of this country, in the person of their then house leader, Hon. Mr. Chevrier, requested that the house should not sit on the Thursday before Good Friday because he said it is a holy day. I drew this to the attention of the present Prime Minister and asked him to look back at *Hansard* for April 12, 1962, page 2894, when Mr. Chevrier put forward that proposal. The Prime Minister said he would look at it, but he did not report on it. At that time the prime minister of the day, Right Hon. Mr. Diefenbaker said that under no circumstances would the house sit on the holy day, and consequently we did not sit on the Thursday before Good Friday, at the request of Mr. Chevrier. Now the present group are asking us to sit on Good Friday.

Mr. Favreau: On a question of privilege, Mr. Speaker—

Mr. Churchill: Mr. Speaker, this just cannot be done.

Mr. Favreau: —I shall not allow anybody to distort my words—

Some hon. Members: Hear, hear.

Mr. Favreau: —and try to suggest that I even implied that this house ought to sit on Good Friday. I said clearly that I disagreed with that proposition, and this was why, to circumvent the rule or to modify the rule, for that particular purpose I said we would need unanimous consent. I said exactly the contrary of what the hon. gentleman has contended.

[Mr. Churchill.]

Mr. Nielsen: What about holy Thursday?

Mr. Martineau: Mr. Speaker, did the minister imply that in order to avoid that we would have to sit tonight and pass the supplementary estimates that are before us?

Mr. Favreau: I do not wish to interrupt my hon. friend's speech, Mr. Speaker, but I should like to continue with my question of privilege. If the hon. gentleman from Winnipeg South Centre has finished, I would ask your permission to answer the allegation that there was, or would have been, an agreement to adjourn to April 6 as soon as interim supply was passed. Nobody should allow the words of the Prime Minister of this country to be put in doubt. When the Prime Minister referred to that reservation first, he was expressing a hope; and second, he stated so after I had at least once, if not twice, announced in the house that the house would be proceeding with supplementary estimates first, and then with interim supply. It is clear that when the Prime Minister said that, that he implied—

Some hon. Members: Oh, oh.

Mr. Favreau: —that these matters would both be dealt with first.

An hon. Member: What a weak argument.

Mr. Favreau: I now suggest, Mr. Speaker, that under the reserve of having to sit on Monday, if we must, but to avoid sitting on Good Friday, this house do not adjourn and that it sit tonight until the house decides on an adjournment.

Mr. Churchill: You break the Prime Minister's word.

Mr. Nugent: Mr. Speaker, if it is necessary to have unanimous consent to avoiding sitting tomorrow, feeling as I do about the way the government has mismanaged the business of the house, I am giving notice now that the only way I will give consent to avoid sitting tomorrow is that this house adjourns now until April 6, and on no other condition will I give my consent. If the government does not want to sit tomorrow, that is too bad. I want the Prime Minister's word kept, and the only condition upon which I will give consent, in order to avoid sitting tomorrow, is on that basis.

Mr. Deputy Speaker: The hon. member for Timiskaming (Mr. Peters).

Mr. Peters: Mr. Speaker, I would like to call it six o'clock.

Mr. Deputy Speaker: In the absence of any order of the house, if we adjourn at this point, then of course according to the rules of the house we will resume tomorrow at eleven o'clock.

Mr. Favreau: Mr. Speaker, in order to avoid—

Some hon. Members: Six o'clock.

Mr. Favreau: —having to sit on Good Friday, I suggest that the house give unanimous consent to adjourning until Monday, March 30, at 2.30 p.m.

Some hon. Members: No.

Mr. Nugent: Refused.

Mr. Deputy Speaker: Order. Since there is obviously not unanimous consent, this house stands adjourned until tomorrow morning at eleven o'clock.

It being twenty one minutes after six o'clock the house adjourned, without question put.

APPENDIX

DOMINION-PROVINCIAL CONFERENCE—DELEGATION TO REPRESENT FEDERAL GOVERNMENT, AND RELATED INFORMATION

FEDERAL-PROVINCIAL CONFERENCE
(March 31, 1964)

Proposed Agenda and Procedures

A. Proposed Agenda

1. Relations between shared-cost programs and fiscal arrangements, including the implications of contracting out.
2. Canada pension plan.
3. Reciprocal arrangements regarding taxation of government departments and agencies.
4. Other aspects of fiscal relations.
5. Federal proposals regarding loans to university students.
6. Liaison arrangements, with particular reference to calendar of meetings for 1964.
7. Report on Canadian 1967 world exhibition.
8. Other matters.

B. Proposed Procedures

All provinces agree that the procedures adopted at the November conference were generally satisfactory and should be followed again at this conference. There will be an opportunity at the opening of the conference to discuss such possible changes and improvements in these procedures as might be considered desirable.

FEDERAL-PROVINCIAL CONFERENCE QUEBEC CITY—MARCH 31, 1964

Federal Delegation

Federal Government

Rt. Hon. L. B. Pearson, Prime Minister, head of delegation; Mr. G. Rouleau, Parliamentary Secretary to the Prime Minister; Hon. W. L. Gordon, Minister of Finance and Receiver General; Hon. M. Lamontagne, Secretary of State for Canada; Hon. A. J. MacEachen, Minister of Labour; Hon. J. LaMarsh, Minister of National Health and Welfare; Hon. G. Favreau, Minister of Justice and Attorney General; Hon. H. Hays, Minister of Agriculture; Hon. M. Sauve, Minister of Forestry.

Advisers

Mr. R. G. Robertson, Clerk of the Privy Council and Secretary to the Cabinet; Mr. J. E. G. Hardy, Assistant Secretary to the Cabinet; Mr. R. B. Bryce, Deputy Minister of Finance; Mr. A. S. Abell, Director of Federal-Provincial Relations Division; Mr. H. D. Clark, Director of Pension and Social Insurance Section; Mr. T. Kent, Policy Secretary, Prime Minister's Office; Mr. E. A. Driedger, Deputy Minister of Justice; Mr. D. S. Thorson, Assistant Deputy Minister of Justice; Dr. G. D. W. Cameron, Deputy Minister of National Health; Dr. K. C. Charron, Director of Health Services; Dr. J. J. Horowicz, Principal Executive Officer, Health Services Directorate; Dr. J. W. Willard, Deputy Minister of Welfare; Mr. J. A. Blais, National Director of Family Allowances and Old Age Security; Dr. L. Z. Rousseau, Deputy Minister of Forestry.

Federal Secretariat

Mr. J. E. G. Hardy, secretary; Mr. J. Garner, assistant secretary; Mr. E. C. Aquilina, executive secretary; Mr. R. O'Hagan, press liaison officer; Mr. J. Regan, special services; Mr. P. Groulx, administrative officer; Mr. J. Villeneuve, administrative officer; Mr. G. Brady, press liaison officer.

Reporting Staff

Mr. J. Garner, Department of Finance; Mr. E. C. Aquilina, Privy Council office; Mr. C. D. Allen, Department of National Health and Welfare; Mr. D. B. Clark, Department of Finance; Mr. A. R. Roy, Department of Finance.

Interpretation and Translation Staff

Interpreters: Miss P. Cyr, Miss M. Ouimet; and Messrs. R. Robichaud, E. Plante and D. Fleury.

Translator: Mr. J. M. Begin.

Secretarial Staff: Miss A. L. Walls; Mrs. G. Ouellette; Miss G. Hebert; Miss J. Morin; Mrs. A. Biard.

INFORMATION RE FEDERAL-PROVINCIAL CONFERENCE—QUEBEC CITY

March 31, 1964

The opening meeting of the conference will be held in the legislative assembly at 10:00 a.m. on Tuesday, March 31, 1964. Termination date of the meetings will be established by the conference.

Places will be available at the main conference table for the Prime Minister of Canada, four of his ministers, for the

premiers of the provinces and one minister of each province. A section will be set aside for other delegates.

Delegations

A list of the members of the federal delegation is attached hereto. The list of the provincial delegations is being compiled and will be issued in a supplementary release.

Proposed agenda and procedures

The proposed agenda and procedures will be issued in a following release.

Opening statements

Since this conference is a continuation of the federal-provincial conference held in Ottawa last November, it is anticipated that most delegations will not be issuing an opening statement.

Interpretation

As in the case of recent federal-provincial conferences, simultaneous interpretation, in English and in French, will be provided in the main conference room.

Official functions

1. On Tuesday, March 31, the prime minister of Quebec and members of the cabinet will receive the Prime Minister of Canada, provincial premiers, ministers, delegates and news representatives at a reception in the Chateau Frontenac at 6:30 p.m. Dress: "Lounge Dress".

2. On Tuesday, March 31, His Honour the Lieutenant-Governor of Quebec, will receive the Prime Minister of Canada, the federal cabinet ministers, provincial premiers and ministers at a dinner at Bois-de-Coulonge at 7:30 for 8:00 p.m. Dress: "Black Tie".

3. On April 1, a reception for delegates will be held in the legislative council chamber at 12:30 p.m., followed by a luncheon in the parliamentary restaurant at 1:00 p.m.

Coverage Arrangements—Press, radio, t.v. etc.

Still, television and newsreel photographers will be admitted to the main conference room at 9:30 a.m., March 31, to prepare for general photographic coverage of the formal opening of the conference. Picture taking will end at 10:15 a.m. sharp.

Official photograph

An official photograph of the heads of delegations and delegates to the conference will be taken in the legislative council chamber at 12:15 p.m., Tuesday, March 31.

Accreditation

Special press passes will be required for admission to the conference area. These passes will be issued on arrival in Quebec city.

Facilities—Press, radio, t.v.

The conference press room—rooms A-81 and A-85—(the legislative assembly private bills' committee room) will be equipped with telephones, typewriters and cloakroom facilities. This room is for the use of all news representatives, accredited to the conference, except those from Quebec who will use their regular facilities in the legislative assembly press gallery. t.v. production room, room A-198; press conference and briefing room, room A-199; press office, room A-80; press enquiries during the conference sessions should be directed to the press office in the legislative assembly building (as listed above). Tel.: 693-5268 or 693-5269.

A press working room will be available in the Chateau Frontenac hotel for the benefit of out-of-town news representatives.

Canadian National and Canadian Pacific telegraph facilities are permanently located in the legislative assembly building. Arrangements for filing will also be available in the press room at the Chateau Frontenac hotel.

Travelling arrangements

In co-operation with the executive of the parliamentary press gallery, a chartered Trans-Canada Air Lines aircraft will carry members of the press from Ottawa to Quebec city, on Monday March 30.

In order to provide sufficient time for research and filing, the aircraft will depart from the T.C.A. Uplands terminal at 11.45 a.m., arriving in Quebec city at approximately 1.00 p.m. Lunch will be served on the aircraft. Ground transportation will be provided from Quebec airport to the hotel.

Because of airline regulations, T.C.A. advises all passengers must obtain tickets prior to the aircraft's departure. The charter fare (including ground transportation in Quebec city) is $20 return.

Tickets may be obtained, upon payment, from James B. Regan in the Prime Minister's office. Cheques should be made payable to T.C.A. Hotel accommodation has been arranged for all members of the press at the Chateau Frontenac, where members of all delegations will be staying. Rooms will be assigned on arrival.

Conference secretariat

Mr. J. E. G. Hardy, secretary; Mr. J. Garner, assistant secretary; Mr. E. C. Aquilina, executive secretary; Mr. P. Groulx, administrative officer; Mr. J. Villeneuve, administrative officer.

Conference press liaison

Mr. R. O'Hagan, press officer; Mr. Gerard Brady, associate press officer; Mr. J. B. Regan, special services; Mr. Guy Hogue, special services.

FEDERAL-PROVINCIAL CONFERENCE
QUEBEC CITY—MARCH 31, 1964

Federal Delegation

Federal Government

Right Hon. L. B. Pearson, Prime Minister, head of delegation; Mr. G. Rouleau, Parliamentary Secretary to the Prime Minister; Hon. W. L. Gordon, Minister of Finance and Receiver General; Hon. M. Lamontagne, Secretary of State of Canada; Hon. A. J. MacEachen, Minister of Labour; Hon. J. LaMarsh, Minister of National Health and Welfare; Hon. G. Favreau, Minister of Justice and Attorney General; Hon. H. Hays, Minister of Agriculture; Hon. M. Sauve, Minister of Forestry.

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HOUSE OF COMMONS

Friday, March 27, 1964

The house met at 11 a.m.

BUSINESS OF THE HOUSE

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, I am rising in the name of the Prime Minister (Mr. Pearson) to move, seconded by the Minister of Justice (Mr. Favreau), that this house do now adjourn.

Mr. Nugent: Till April 6?

Mr. Speaker: Does the house agree to the motion?

Mr. Howard: On division.

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

Some hon. Members: On division.

Motion agreed to, on division, and the house adjourned until 2.30 p.m., Monday, March 30.

20220—98

HOUSE OF COMMONS

Monday, March 30, 1964

The house met at 2.30 p.m.

PRIVILEGE

MR. NUGENT—REFERENCE TO EDITORIAL IN TORONTO "GLOBE AND MAIL"

Mr. Terry Nugent (Edmonton-Strathcona): I rise on a question of privilege, Mr. Speaker, arising out of an editorial in the Toronto *Globe and Mail* in which the editorial writer has made a personal attack on me in connection with the discharge of my duties in this house last week. I should make it plain at the outset that I have no objection to the cartoon above the editorial. I recognize the figure, if not the face.

The editorial itself is the type of attack that I think any member should take objection to because, first, it is highly prejudicial; and second, it makes allegations which are unsupported by the facts and indeed insulting to me.

Mr. Winch: You ought to hear what I think about you.

Mr. Nugent: I have many opportunities of hearing the hon. member, and I am not always so sure that they are welcome.

Mr. Winch: I am changing my mind about capital punishment.

Mr. Nugent: The particular line to which I take objection is the one that says my action was taken in defence of no principles. I feel that the story on the front page of the same paper, if the editorial writer had bothered to familiarize himself with that even without bothering to read *Hansard*, would have informed the writer that the charges were not supported. The principles involved, as any member of this house would recognize, were very clearly stated. They were that the government is not mightier than parliament. There are others; that no government can get away with trying to use a club on parliament; that individual members in this house have a responsibility which they must discharge as their conscience dictates, no matter how unpopular that might make them; that co-operation of parliament and government is not a one way street.

I think the editorial writer, if he will bother to read *Hansard* the next time, will realize that if he is incapable of being fair he should at least try to be accurate.

EARTHQUAKE DAMAGE

INQUIRIES AS TO ASSISTANCE TO B.C. AND ALASKA

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, arising out of the terrible catastrophe that struck Alaska just before the week end and also brought serious damage to Vancouver island and other parts of the Pacific coast, I would ask the Prime Minister whether any request has been received from the province of British Columbia for the country as a whole to assist in the serious losses suffered by the people in the areas in B.C. that were affected.

At the same time I want to say to the Prime Minister that we join with him in the message of sympathy that was extended to the United States on the terrible catastrophe that took place.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, the Minister of Northern Affairs and National Resources has been appointed by the government to co-ordinate the activities of the federal government with a view to assisting the province of British Columbia and the area concerned in the tragic damage that area has suffered. Perhaps, if the right hon. gentleman agrees, I might ask my colleague to make a report on what has been done.

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, I was in Vancouver on Friday night, and early Saturday morning I had a communication from the Prime Minister's office asking me to contact Premier Bennett with an offer of federal assistance if the extent of the damage was beyond the capacity of the municipalities and the province to carry.

I endeavoured to contact Premier Bennett, without avail; then Attorney General Bonner; then Hon. Mr. Kiernan, and finally I spoke to Hon. Leslie Peterson, the provincial minister of labour. I informed him of this offer and he told me that quite probably investigations were already under way but, if not, he would see they would be undertaken at once and he would reply. We have not heard anything yet, and to this moment the government of Canada has not had an application for assistance from the government of the province of British Columbia.

I might add that we have had requests for assistance from the mayors of the two cities of Port Alberni and Alberni, and latterly a second request for the use of army engineers stationed at Chilliwack. Our reply to them has been that we would be glad to give such aid and assistance, and indeed lend personnel, if the request comes from the government of the province of British Columbia. I want to assure the right hon. gentleman that the Department of National Defence has been working very closely with us on this, and is quite prepared to act upon a moment's notice. Also the emergency measures organization, the Red Cross and other agencies in the province of British Columbia are either working effectively now or are prepared to act on a moment's notice if they are required.

Mr. Diefenbaker: I thank the hon. gentleman. As I see it the matter now rests with the government of the province of British Columbia to request assistance in the event that the damage was such as to constitute a national disaster. I would also like to ask the Prime Minister whether, with a view to showing Canada's general attitude, a contribution will be made to the Red Cross for use in the devastated areas of Alaska.

Mr. Pearson: In our message to the President, to which the right hon. gentleman referred a moment ago, we have indicated not only our sympathy for the victims of the disaster but our desire to assist if assistance is called for, and we have intimated to the President that we are making preparatory arrangements in the event that such a request should be made. May I say that I would be very glad to take up with the Red Cross, apart from this message to the President of the United States, the possibility of assisting the Canadian Red Cross if their help is required by the agencies concerned.

Mr. T. S. Barnett (Comox-Alberni): I should like to ask a related question on the subject, but first, perhaps, as the member representing the constituency which has suffered the damage, might I be permitted to express my appreciation of the offer which has been made by the Prime Minister and the government to provide assistance should the province request it.

I should like to direct my related question to the Minister of Public Works and ask whether he or his department has yet received any report as to the damage which may have been sustained by federal harbour installations along the west coast of Vancouver island; and, if damage has occurred, whether measures are being proceeded with to effect a speedy repair of the installations in question which are, of course, of great concern to the fishing fleet and other users along the west coast.

Hon. J. P. Deschatelets (Minister of Public Works): We are looking into this matter at the moment. I have no special information to give the hon. member at the present time, but officials of my department are looking into the matter.

[*Translation*]

Mr. Real Caouette (Villeneuve): Mr. Speaker, may I put a supplementary question?

Is the Prime Minister aware of the report to the effect that an atomic explosion in the Pacific caused the disaster last Friday in Alaska and in British Columbia, and that an investigation is being held in that connection?

[*Text*]

Mr. Pearson: No, I am not aware of those rumours, but I am aware of the scientific information which has already appeared and which indicates that it was an earthquake.

[*Translation*]

Mr. Caouette: Mr. Speaker, does the Prime Minister recognize that an earthquake can be caused by an atomic explosion.

[*Text*]

Mr. Bert Leboe (Caribou): May I ask the Prime Minister if his attention has been called to an article in today's *Gazette* which states that Mr. Dan Campbell intends to ask the department of municipal affairs that Port Alberni and Alberni be called a disaster area, and that a committee of some kind is being set up to investigate the matter?

Mr. Pearson: Yes, I saw that report. It indicates that the provincial government is looking into the matter and, as already stated, if the provincial government, having declared this a disaster area, require federal assistance they will receive federal assistance.

EXTERNAL AFFAIRS

CYPRUS—TERMS OF REFERENCE OF PEACE KEEPING FORCE

On the orders of the day:

Mr. R. N. Thompson (Red Deer): My question is addressed to the Secretary of State for External Affairs, and may I take this opportunity to welcome him back to the house after his attendance at this very important international conference relating to trade with underdeveloped countries.

In view of the report this morning of shooting incidents in Cyprus, does the hon. gentleman have any information to give to the house in relation to the Cyprus situation as it affects Canadian troops and the authority they have for carrying out their responsibilities as peace keepers?

Hon. Paul Martin (Secretary of State for External Affairs): I thank the hon. member for his preliminary observation. I had thought that when we get to the items in my supplementary estimates it might be possible to deal with this and with other matters which engaged my attention last week when I was in Geneva. I may say, however, that the directive and terms of reference to the force, which have been discussed with the secretary general and with the commander of the force, General Gyani, are such, in my judgment, as to make possible the successful functioning of the United Nations peace force and participation in that force by the Canadian contingent. When we get to the items in the estimates I shall be very glad to go into the matter further.

CANADIAN BROADCASTING CORPORATION

SUGGESTED SUPERVISION OF FILMS BY RELIGIOUS AND EDUCATIONAL AUTHORITY

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Secretary of State, as the minister responsible to this house for the affairs of the C.B.C.

Since religious authorities and parents are greatly concerned by the fact that the C.B.C.'s network is showing both immoral films and films which put the accent on crime at a time of day when children are watching television, does the minister intend to compel the C.B.C. to submit those films, before they are presented, to a body composed of parents, religious authorities and educators?

[*Text*]

Mr. Speaker: May I suggest this is a question for the order paper.

[*Translation*]

Mr. Pigeon: On a point of order, Mr. Speaker. I believe that question to be most urgent. Moreover, I know the minister is willing to answer it.

[*Text*]

Mr. Speaker: I must say that the question is important, but not so pressing or so urgent that it should take up our time at the moment.

[*Translation*]

Mr. Pigeon: Mr. Speaker, I should like to direct a question to the Minister of Justice. Can he tell the house whether the censorship of movies broadcast by C.B.C. comes under provincial jurisdiction?

[*Text*]

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, I think it would be against the rules of this house for me to give a legal opinion to the house.

Mr. Pigeon: On a point of order, Mr. Speaker, it is not against the rules of this house, and I ask the minister to answer my question. It is an urgent one, and I think it is my duty to ask this kind of question.

Mr. Dupuis: Go to bed early.

Some hon. Members: Hear, hear.

Mr. Speaker: The hon. member for Skeena (Mr. Howard).

Mr. Pigeon: On a point of order, Mr. Speaker—

Mr. Howard: Mr. Speaker, I wish to address a question to the Minister of National Health and Welfare—

Mr. Pigeon: Mr. Speaker, I think it is my duty to ask this question—

Mr. Speaker: Order.

Mr. Pigeon: —and I think we face the same old bunch.

Mr. Speaker: Order. The hon. member has in effect put his question three times but my decision is still the same, that there is not that sense of urgency in his question that we should take the time of the house on this particular occasion to get a reply. Would he put it on the order paper? The hon. member for Skeena (Mr. Howard).

NORTHERN AFFAIRS

POSSIBLE TRANSFER OF HOSPITALS TO PROVINCIAL JURISDICTION

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, I wonder whether I could ask a question of the Minister of National Health and Welfare. I ask the hon. lady what is to be the fate of the hospitals operated under the Indian and northern health services branch of her department. Are they to be treated in the same way as the veterans hospitals?

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): Mr. Speaker, there has been no change in the policy that has been followed in recent years. If there were to be such a change it would be announced as part of government policy.

Inquiries of the Ministry

HEALTH AND WELFARE

TORONTO—REQUEST FOR INCREASED HOSPITAL GRANT

On the orders of the day:

Mr. M. J. Moreau (York-Scarborough): Mr. Speaker, I have a question for the Minister of National Health and Welfare. In view of the critical hospital bed shortage in metropolitan Toronto, could the minister inform the house—

Some hon. Members: Order paper.

Mr. Moreau: —whether a formal request has been received from the government of Ontario for an increase in federal government hospital construction grants?

Miss LaMarsh: Mr. Speaker—

Mr. Speaker: Order. May I interrupt. This is a question for the order paper. The hon. member for Danforth (Mr. Scott).

Mr. Scott: Mr. Speaker, I had a supplementary to the question you suggested should be placed on the order paper.

[*Later:*]

Mr. Reid Scott (Danforth): Mr. Speaker, I wanted to rise on a point of order with regard to the question of urgent importance which was raised by the hon. member for York-Scarborough. In view of the fact that in the past you have permitted us to raise this matter on orders of the day, and in view of the fact that we have evidence that a citizen died in Toronto on the week end because he could not get into a hospital, I am wondering why the matter was urgent last week but is not urgent today.

Mr. Speaker: If I may put it in this way, I am in the happy position of not being obliged to answer that question.

[*Later:*]

Mr. Scott: Mr. Speaker, I have a question for the Prime Minister. It relates to an answer the Prime Minister gave me about a week and a half ago on orders of the day concerning the hospital shortage in metro Toronto, at which time the Prime Minister indicated that he would make a decision one way or another whether the federal government would give any assistance to metropolitan Toronto in the construction of hospitals. Has the Prime Minister made a decision and, if so, is he in a position to indicate it to the house?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I apologize to my hon. friend, and I am grateful to him for his patience in this matter because I know how important it is and how interested he and other members are in it. The answer I might have given him last week would have been perhaps more negative than he would have liked. Since that time I have become aware of the fact that this whole matter will be discussed, I hope, in Quebec with the provincial premiers including the premier of Ontario, and perhaps I will be able to give the hon. member a different answer after that conference.

VETERANS AFFAIRS

POSSIBLE TRANSFER OF HOSPITALS FROM FEDERAL CONTROL

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I should like to ask the Prime Minister whether radio reports are correct that the government is now in full retreat from its announced intention to transfer the veterans affairs hospitals to other levels of government.

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker.

Mr. Diefenbaker: Just partially.

[*Later:*]

Mr. W. H. A. Thomas (Middlesex West): Mr. Speaker, I should like to direct a question to the Prime Minister supplementary to that of the hon. member for Winnipeg South Centre. Can the Prime Minister assure the house that if arrangements are made to let other interests use some of the hospital beds now under the control of the Department of Veterans Affairs, the actual control of these hospitals will be left with the Department of Veterans Affairs.

Mr. Pearson: I think it would be the intention, Mr. Speaker, that the hospitals be left in the control of the department. I can also assure my hon. friend that if any change of this kind were made the interests of the veterans would not in any way be prejudiced.

[*Later:*]

Mr. Churchill: Mr. Speaker, I should like to ask the Prime Minister to clarify two conflicting answers he has given this afternoon. He indicated to me that the veterans hospitals would be transferred to other authorities, and he indicated to the hon. member for Middlesex West that it was not the intention of the government to do so. What is the situation?

Mr. Pearson: Mr. Speaker, my hon. friend has misinterpreted my answer to him, as I think he will find out when he reads *Hansard*.

Mr. Churchill: I have a supplementary question, Mr. Speaker. My question to the Prime Minister was whether the government was now retreating from its announced intention to transfer the veterans affairs hospitals to other levels of government and his answer

was no. He gave a different answer to the hon. member for Middlesex West. I would hope that we could rely on the Prime Minister's statement.

Mr. Pearson: Mr. Speaker, the hon. gentleman has now misquoted his own question. His question was whether the government was in full retreat, and I said no.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a related question to the Minister of Veterans Affairs in the hope that it may help to clear up the matter. Are week end reports correct to the effect that in the case of the tri-service hospital here in Ottawa the intention is to keep the hospital within the Department of Veterans Affairs but possibly to make some of its empty beds available for civilian patients? If so, may I ask the minister whether this is a pattern that might be followed in the case of some other veterans hospitals?

Hon. Roger Teillet (Minister of Veterans Affairs): Mr. Speaker, in the first instance the tri-service hospital in Ottawa is not under the control of the Department of Veterans Affairs. It is administered by the Department of National Defence. I heard the report that came out over the week end and I have a transcript of the report as it came over the wires. I see nothing in the report which is incompatible with the statement I made in the house the other day.

I have tried to indicate as clearly as I could that there would be different applications in different circumstances. It is a matter of reaching the objective of maintaining the quality of medical services. This is our objective, and it may mean that we will seek to attain this end in a different manner in different localities. So far as the tri-service hospital is concerned, the Department of Veterans Affairs uses these facilities for our veterans. We have our own staff there. I have heard no comments to the effect of the report. I have attempted to check on the report in the department, and as far as I know the report comes from no one within the Department of Veterans Affairs.

Mr. R. W. Prittie (Burnaby-Richmond): A supplementary question to the Prime Minister on the question of veterans hospitals. Are we to interpret his answer to the hon. member for Winnipeg South Centre as meaning that there is a partial retreat from the announced policy, and will the government make a complete statement on this subject shortly?

Mr. Pearson: Mr. Speaker, the statements already made by the minister in the house are, I think, perfectly clear.

Mr. Churchill: They are far from clear.

[Later:]

Mr. Donald MacInnis (Cape Breton South): I should like to ask the Minister of Veterans Affairs if he will investigate the situation at Camp Hill hospital, Halifax, where veterans are kept waiting while the facilities of this hospital are made available to civilians.

Mr. Teillet: I have asked for a report on that matter as a result of the hon. member's question about a week ago. It has not yet come to hand.

Mr. MacInnis: I rise on a point of order, Mr. Speaker. The minister replied to the question in a rather off hand manner. I have not asked this question before, so how can he say he made an investigation on the basis of a question I had asked?

Mr. Speaker: Order; I do not think it is necessary to make a reply. I had grave doubts whether the original question was in order, but in view of its humane aspects it was allowed.

Mr. Teillet: I rise on a point of order, Mr. Speaker. I should apologize. Someone did ask that question and I did ask for a report, but I may have been mistaken; it may have been another hon. member who asked the question.

COMMONWEALTH RELATIONS

INQUIRY AS TO CONFERENCE OF PRIME MINISTERS THIS YEAR

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I should like to ask a question of the Prime Minister in connection with the prospective prime ministers' conference. There has not been one now for a year and a half, and there are very important matters connected with the commonwealth that require attention.

Is it a fact, as reported in the press, that there has been tentative agreement among the prime ministers to the holding of the conference in July; and would the Prime Minister at the same time say whether he has given consideration to inviting the prime ministers to hold the conference here in Ottawa, with a view to bringing about closer relations within the commonwealth and assuring that the various capitals in the commonwealth will have the opportunity of having this important conference?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, so far as the latter part of the question is concerned I indicated to the Prime Minister of the United Kingdom when he was last in Ottawa that if and when a

prime ministers' conference was to be held, that conference would be very welcome indeed in Ottawa. Since his visit to Ottawa the Prime Minister of the United Kingdom has made certain informal soundings of members of the commonwealth as to the desirability or otherwise of a prime ministers' meeting in London, and I understand that as a result of these informal soundings Sir Alexander Douglas Home is now about to send formal invitations to all prime ministers of the commonwealth for a meeting to be held in London this summer.

FINANCE

PREVENTION OF PROFITEERING FOLLOWING EXCISE TAX INCREASE

On the orders of the day:

Hon. Paul Martineau (Pontiac-Temiscamingue): Mr. Speaker, I should like to ask a question of the Minister of Finance. Seeing that on Wednesday next the tax on building materials will be hiked to 8 per cent, can the government say whether it is taking any measures to prevent profiteering by firms or individuals who may have accumulated building materials before the imposition of the hike and who may now be passing on this increase to consumers although they have not paid the tax?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, I fancy that most consumers have heard quite a good deal about this tax. I would not think there were many who did not know that the increase would become effective on April 1, and I would think they would make their own arrangements.

[*Later:*]

[*Translation*]

Mr. Lucien Plourde (Quebec West): Mr. Speaker, I should like to direct a question to the Minister of Finance.

Has the minister considered postponing for a fortnight the application of the 4 per cent additional tax on construction materials, in view of the great demand for such materials during the last few days?

[*Text*]

Mr. Gordon: Mr. Speaker, that does not come within my authority. The law is clear.

NATIONAL DEFENCE

INQUIRY AS TO CHIEF OF STAFF OF ARMED FORCES

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Minister of National Defence. Does he intend to appoint General Jean-Victor Allard to the supreme command of Canadian troops?

[*Text*]

Some hon. Members: Order paper.

Mr. Pigeon: No, Mr. Speaker; it is a proper question, and I would appreciate an answer.

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, as I have already indicated I propose to recommend to the governor in council, if and when parliament passes the necessary legislation, that Air Chief Marshal Frank Miller be the first chief of staff of the Canadian armed forces. When further appointments are recommended they will be made public in the normal course.

ARMOURY GUARDS—REQUEST FOR VETERANS PREFERENCE IN APPOINTMENT

On the orders of the day:

Mr. Arnold Peters (Timiskaming): I should like to direct a question to the Minister of National Defence. Has some official status been given to the people who have been hired as guards for armouries? Why does the veterans preference not apply to those people who have been chosen for guard duty?

Hon. Lucien Cardin (Associate Minister of National Defence): I will take that question as notice.

HOUSE OF COMMONS

INQUIRY AS TO HOLDING OF BY-ELECTIONS

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I understand that tomorrow there will be quite an egress of ministers from the house and the Prime Minister will not be here for several days. Therefore I should like to ask him whether the government has yet given consideration to the calling of by-elections in Nipissing and Saskatoon. With regard to both of these constituencies, we rely strongly on the view expressed by the Prime Minister that no delay should take place and on the very salutary example given in the Montreal by-elections, and we hope the Prime Minister will give consideration to the holding of these by-elections at the earliest possible date.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, so far as the preliminary part of the right hon. gentleman's question is concerned, I hope to be back in the house Thursday afternoon.

Mr. Diefenbaker: Oh, good.

Mr. Pearson: So far as the date of the holding of the by-elections is concerned, I can assure my right hon. friend there will not be the delay we have become accustomed to in the last six or seven years.

Mr. Knowles: Now we are back to normal.

Mr. Diefenbaker: I am certainly glad we are not going to be without the Prime Minister throughout the balance of the week, and that we will have him back on Thursday.

Mr. Pearson: Or Friday.

Mr. Diefenbaker: I assure him that his absence last week was deeply felt by us and we are glad to see him back in his place. With regard to the suggestion at the end of his statement I ask him this question. Does he intend to proceed with the same celerity and determination in providing an early opportunity for these two constituencies to elect members as he did in the case of the vacancies in Montreal?

Mr. Pearson: Mr. Speaker, we expect to proceed with all possible celerity, and we expect to have the same kind of result as we had in the by-elections in Montreal.

Mr. Diefenbaker: That is another example of false optimism.

DOMINION-PROVINCIAL CONFERENCE

CONSIDERATION OF INCREASED CONSTRUCTION GRANTS TO UNIVERSITIES

On the orders of the day:

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, I have a question for the Prime Minister relating to an urgent matter and having to do with a statement he made over a year ago during his visit to Brandon College. Will he be discussing with the provincial authorities during the conference which gets under way tomorrow the subject of increased grants for construction purposes on our overcrowded university campuses?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, we will be discussing in Quebec, I think, all shared cost programs, and the very important program to which my hon. friend has referred will come within those discussions.

Hon. Paul Martineau (Pontiac-Temiscamingue): A supplementary question, Mr. Speaker. Inasmuch as the Prime Minister has spoken about retreats, will he be making a retreat in regard to some of the shared cost programs?

Mr. Pearson: Mr. Speaker, I wish the hon. gentleman would make a retreat from this kind of question, which he continues to ask in the house.

Inquiries of the Ministry

AGRICULTURE

SHARING OF DEPARTMENTAL RESPONSIBILITIES BETWEEN MINISTERS

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I have a direct question to the Minister of Agriculture. Has the minister agreed to share the responsibilities of his department with another minister? Yes or no?

Some hon. Members: Order.

Mr. Pigeon: Mr. Speaker, I have asked a direct question of the minister and I expect to receive an answer.

Some hon. Members: Oh, oh.

Mr. Pearson: Directly out of order.

Mr. Speaker: Order. There is no doubt about the importance of the question in the mind of the hon. member, but under our rules the minister is not obliged to answer unless he wishes to do so.

Mr. Pigeon: The same old gang.

TRADE

BUTTER—REPORTED U.K. INTENTION TO INCREASE IMPORTS

On the orders of the day:

Mr. H. W. Danforth (Kent, Ont.): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. In view of the fact that the government of Britain is reported to have increased the quota on butter imports into that country, can the Minister of Agriculture state whether any immediate steps are being taken by his department to increase the export of Canadian butter to that market?

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker—

Mr. Speaker: Order. Once more, this should be put on the order paper.

Mr. Hays: —this matter is under consideration, and I hope we will have an announcement to make in the not too distant future.

FISHERIES

REGULATIONS RESPECTING KILLING OF SEALS

On the orders of the day:

Hon. J. A. MacLean (Queens): Mr. Speaker, I should like to address a question to the Minister of Fisheries. Has he anything to report on the situation in the gulf of St. Lawrence with regard to the conditions under which seal hunting is being carried on, and the slaughter of young seals? What requests

has he had from the society for the prevention of cruelty to animals and other organizations to take action to prevent the type of slaughter that is being carried on?

Hon. H. J. Robichaud (Minister of Fisheries): Mr. Speaker, on Thursday last I answered a similar question asked by the other hon. member for Queens, and I may add that I expect to issue a full statement on the matter later this week.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): May I ask a supplementary question. Yesterday the New York *Times* had only one item about Canada so far as I could see, and it had to do with the cruelties perpetrated in the killing of seals. The article said that the season opened a week ago. Is there not some action that can be taken to prevent the cruelties that are being perpetrated under the law as it now stands?

Mr. Robichaud: As I have stated on many occasions in this house, every means that could be utilized under our jurisdiction has been utilized during the present season. It is our hope that this matter will be discussed fully at the next meeting of the international commission on north Atlantic fisheries which will take place in Hamburg this year. As the right hon. member knows, there are many countries interested in this type of fishery, and there are international complications. The matter will be discussed at the meeting which will be held next summer.

Mr. Diefenbaker: I agree with the minister that beyond the three mile limit an international situation is created. However, reference was made to cruelties perpetrated within the three mile limit. Is there not provision in the Criminal Code today to cover just this situation?

Mr. Robichaud: I wish to repeat that some of the statements that have been made with regard to cruelties or methods used have been somewhat exaggerated, and I expect to have a full statement later this week which I hope will cover the situation.

BUSINESS OF THE HOUSE

INQUIRY AS TO EASTER RECESS

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): I should like to address a question to the Prime Minister in view of the fact that the word "retreat" seems to be very popular this afternoon. I should like to ask the Prime Minister if he can give any indication to the house that there has been a retreat by the government in connection with the thought that there will be a parliamentary recess this week.

[Mr. MacLean (Queens).]

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker, as my hon. friend will find out if he looks at the order paper.

Mr. Terry Nugent (Edmonton-Strathcona): I had a similar question for the Prime Minister. In view of his statement that he intends to be back on Thursday afternoon, has he gone back completely on his word that there will be an Easter recess until April 6?

Mr. Pearson: No one regrets more than I do the fact that I was not here last Thursday afternoon. I hope the hon. member will accept my word that it was not my fault I was not here.

Mr. Arnold Peters (Timiskaming): I should like to ask the house leader if consideration will be given to payment for members of the house staff who worked on the statutory holidays of Good Friday and Easter Monday?

Hon. Guy Favreau (Minister of Justice): This will surely be taken into consideration.

SUPPLY

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

DEPARTMENT OF AGRICULTURE

1e. Departmental administration—To extend the purposes of vote 1 of the main estimates for 1963-64 to include the gift detailed in these estimates and to provide a further amount of $60,000.

[*Translation*]

Mr. Vincent: Mr. Chairman, last Thursday I spoke to the house about the reduction of cowhide and calf hide prices.

This reduction represents a decrease of about $10 or $12 million in revenue to the Canadian farmer, or, if you like, it increases the commodity prices to the consumer.

According to figures issued by the Department of Trade and Commerce, as shown on page 942 of *Hansard*, cowhide prices were 20.6 cents in 1961 and 19.9 cents in 1962, while in 1963 they dropped sharply to 14.4 cents.

As regards the price of calves' hides, it was, in 1961, 45 cents a pound; in 1962, 42.7 cents a pound; in 1963, we find that it was considerably reduced and sank to 19.7 cents a pound.

When the Canadian market prices were given to me, as of March 1, last, I was told that cows' hides were sold at 13.8 cents a pound, while calves' hides fetched 20 cents a pound.

I have on hand invoices indicating the price paid to slaughter-houses. For instance, on the 19th of March last: 52 cows' hides of 50 pounds at .06 cents a pound; then 8 cow hides again at 6 cents a pound and finally 18 calf skins at 7 cents a pound.

I have here four bills I should like to table, with the unanimous consent of the house, so that the authorities of the Department of Agriculture may check if those prices are in accordance with those which should now prevail on the market; if not, I feel the department ought to examine the situation to prevent all Canadian farmers from losing thereby an income of $10 up to $12 million.

May I table these bills, Mr. Chairman?

[*Text*]

The Chairman: There is, of course, no provision for the tabling of that kind of document. The hon. member can leave that on the table for all members who may want to look at it, but that is as far as he can go.

[*Translation*]

Mr. Vincent: When I raised the question Thursday last, the minister replied that he was not aware of such a situation.

Well, we have in the house representatives of every Canadian party and every time a member raises a question the government turns a deaf ear. I would ask the Minister of Agriculture to instruct his officials to listen or consider carefully what the members say in the house, because when we raise a question, it is not only because we like to speak, but because our constituents are asking us to intervene.

With regard to the point I am raising now, the farmers say that they have not seen such prices since the 1929 depression; the minister tells us that this is a regional problem. Well, Mr. Chairman, it is not a regional problem and, to prove it, I have here a letter from a farmer, Mr. Josephat Jolin, from Amos, in Abitibi. It was published in *La Terre de Chez Nous* on February 12, 1964, and reads as follows:

> I am writing you to ask on behalf of all farmers if it would not be possible to add market prices for cow hides.
>
> Last February 14, I went to Amos, in Abitibi, with a cow's hide in perfect condition, without any knife cut, well salted, weighing 60 lbs. and I get $1.50 for it. For a calf's skin weighing 12 lbs., also in perfect condition, 50 cents.

I see that Liberal members are making fun of my remarks. As a matter of fact, the province of Quebec is represented by 46 Liberal members in the house and not one of them saw fit to raise that question and to make suggestions to the Department of Agriculture. They have failed in their duty and instead of laughing at the remarks we make in this house, they should help the farmers. They should rise and point out to the Minister of Agriculture the problems prevailing not only in our province but throughout Canada.

I shall proceed with the reading of this letter for the information of the Minister of Agriculture.

> We feel this is unreasonable and that is why I think we would be in a better position to defend ourselves if we received market prices.

Well, Mr. Chairman, the problem is not only regional; it is nation-wide. If the price for calf hides, which was 42.7 cents per pound last year, is down to 7 cents a pound this year, it means that the price of meat to the consumer increases and the consumer has to pay 10, 15 and even 20 cents more per pound for the meat purchased from the butcher.

I raise this question once again and I ask the Minister of Agriculture to give it careful consideration because, believe me, Mr. Chairman, this constitutes a loss of $10 to $12 million a year for Canadian farmers.

I now want briefly to come back to the matter of feed grain. Last Thursday, for instance, the minister told us:

> I do not have the latest figures at hand, but between mid-October and mid-March, there has been no significant change in prices.

Well, as far as feed grain is concerned, the Liberal party since the last election, did not keep the formal promises it made to every Canadian, and more particularly to the province of Quebec. Those promises had been made by an official spokesman of the party on the national television network, and anybody can still read them in an editorial published in *La Terre de Chez Nous*, under the headings:

> Beware of Mr. Pearson's figure skating. Our farming industry is on the auction block in Ottawa.

The price of feed grain has increased by 30 cents a hundredweight between October and February, which means $6 a ton. This is hardly what we would call a stable price.

We want the government to take a decision at last. It is true that when the government decided to pay for storage at a cost of $1 million per year, there was some improvement; but, even if credit is given to the Minister of Agriculture for that improvement, it is still inadequate, and an efficient policy should be set up at the earliest possible date, so that we might say to the eastern farmers in Canada: "We are looking after your problems and we did find a solution to the feed grain problem".

The minister also discussed farm credit. On that matter, he said: "Some people claim we have not done much in that field." And here I quoted the minister.

If it had not been for the improved farm credit legislation introduced by the previous government, without the wonderful efficiency of the Farm Credit Corporation officials, how could the minister tell us there were loans made in 1963?

Surely, he cannot take the credit for that legislation, since no amendment was made. What we are asking for is an improvement of the act, instead of being told: "We have done something in that field." We want the minister to give us immediately his program and his views on the improvements to be made to the federal Farm Credit Act.

Since the hon. gentlemen opposite took office, that is since April 8, 1963, what have they done for farming in Canada? What have those same people done who, during the election campaign, said they were going to improve the farmer's lot? Where are the promises they made all across the country during weeks and weeks?

Where do our hon. friends stand with the crop insurance legislation, which was passed by a Conservative government and which they, the Liberals, were to improve in order to bring it more in line with the agreements concluded with the provinces? What progress has been made in the negotiation concerning crop insurance, a measure to be promulgated by the provinces of Canada?

Mr. Chairman, we could also ask the government what progress has been made in the negotiations with the provinces concerning the adoption of a school milk program which we heard so much about, for such a long time, when the hon. gentlemen were sitting on this side of the house? However, not a single word was said about that matter up to the present.

Mr. Chairman, where are the improvements promised by this government to Canadian farmers, and especially to those of eastern Canada as far as dairy products are concerned? I have said time and time again in this house that while the price of milk in the province of Quebec last year was lower than in 1962, it should have been from 20 to 25 cents higher per 100 pounds, because the price of dairy products, including cheese, was higher on the market, thanks to the policies advocated by the Conservative government when it was in office. What progress has been made in the talks between the provinces and the dairy farmers with respect to the setting up of a dairy industry board?

Mr. Chairman, those are questions to which we should like to get answers, and it is certainly not by standing up and using phrases like "a lot of junk" or something like that, that answers can be given to sensible questions emanating not from us but from the farmers who submit them to us, so that we may find a solution to the agricultural problem.

Mr. Chairman, before closing my remarks, I urge the Minister of Agriculture to welcome with open arms as soon as possible his colleague from Iles-de-la-Madeleine (Mr. Sauve), who will perhaps prove to be a terrific discovery for farmers in eastern Canada, although the speeches delivered by the hon. member for Iles-de-la-Madeleine during the year did not contain anything with respect to the agricultural issue.

We are looking forward eagerly for the Minister of Forestry to let us know exactly what are his responsibilities, the work he will have to do and what are his duties as Minister of Forestry as well as as minister responsible for the eastern farmers' problems.

Mr. Chairman, prior to the passing of the supplementary estimates of the Department of Agriculture, we should like to hear from the minister a clear and accurate statement on agriculture's future in general and especially on agriculture in eastern Canada.

[*Text*]

Mr. Nugent: Mr. Chairman, we are sitting here on Monday, March 30, a day when most of us would much prefer to be home, and I am sure that if the government had wanted to manage the affairs of this country in a reasonable manner we should have been home.

Some hon. Members: Order.

Mr. Nugent: I am speaking on agriculture and on the first item of the supplementary estimates, and I am about to inform the arrogant hon. gentlemen opposite that we still have not received the information for which we asked.

When this time first came up we asked that it stand because there were several matters which we, as responsible members of parliament, felt were important and had been left unexplained. There were grave doubts as to the legality of actions taken by the government between February 3 and February 20. We said that as members of parliament we could hardly be content to put our stamp of approval on what had been done when those actions might have been taken illegally. Money might have been spent illegally, and we as members of the committee might have been placed in the position of approving those improper expenditures.

It was not until last Thursday that we were finally given any statement on this matter. The Minister of Transport then read a statement by the Prime Minister touching lightly on the question. I use those words advisedly because the statement read by the Minister of Transport was circuitous, evasive, vague. The committee had asked that these items be allowed to stand because we were disturbed by the possibility of illegalities, and when we asked for a firm statement on the government's position the attitude we took was reasonable. We had stressed that the committee should not be asked to pass lightly over such questions as the legality or illegality of government action.

We did not go too deeply into certain other questions, though I am sure these aspects must have disturbed the public as much as they disturbed members of this house; namely, why there was such dissension within the cabinet to lead to such confusion; whether there was a battle going on within the cabinet; what was the effect of these orders in council, and how lightly must the government itself regard these orders if it could pass them, give them the effect of law, and then ignore them completely.

All the government has given us is this one vague statement, and I do not think the committee should be expected to content itself with an answer which takes refuge in technicalities despite the fact that a minister of the crown has signed agreements when he had no authority whatsoever to do so. For an opposition to condone such action would constitute a complete abandonment of its responsibilities.

I know that as late as the middle of March people in charge of the farm credit organization, the ARDA program, the P.F.R.A. program and so on were not sure who was the responsible minister. Perhaps it was unfair to ask them who was the responsible minister. Perhaps they felt that no matter who was the minister in charge, he was not responsible. I know that many telephone calls were made in an attempt to get a straight answer, in an effort to be sure which minister was responsible for those sections. But the people concerned did not know, and this was later than March 5.

To review briefly the actions of the government, an order in council passed on February 3 was revoked on February 20 and another order in council dealing with only some of those sections was made on March 15. Perhaps it was unfair to telephone as late as March 15 and ask who was the responsible minister because, judging from past experience, the government might have intended to revoke the order of March 5 or, in its own words, decide not to proceed with it. Certainly the answers given by the people working in those sections indicated that they were not sure whether the government knew what it was going to do.

I suggest it is part of the duty of members of this committee to seek from the government some information as to the morale of those engaged in the sections of the department affected by this classic example of administrative bungling. For a long time, I suggest, those sections had been operating, and operating very well, under a strong and competent minister during the life of the previous government. They knew what they were doing. They had a minister who took responsibility, who gave them guidance and made sure that those programs operated and operated well. They have now been subject to what appear to have been weeks of wrangling. We have not even been given any firm statement by the government to reassure us that those weeks of wrangling are past. I suggest that if it is necessary to have a minister, if it is helpful to have a minister, then the department should be able to rely on getting some guidance from him. It is a pretty tough situation when they do not even know whether or not they have a minister.

I think we would like to see answered those two notices of motion for production of papers brought forward by the hon. member for Provencher. The statement read the other day by the Minister of Transport treats the whole question too lightly as to what went on. We are aware, at least, of the eight ARDA agreements which, according to the information given us in this house, are not now in effect at all. My leader gave a very strong hint to the government that we would co-operate; that the least we should see is remedial, retroactive legislation to make sure that these items are covered; that we on this side of the house will co-operate and see that is done, and we had not one word from the government on that matter.

I am sure that some hon. members feel we are perhaps taking a rather long time on this item. If we are, it is because we do not get any answers. I suggest that this is anything but lack of co-operation on our part. We do regard these matters as serious. We think there is a serious legal problem. The suggestion made by the Minister of Transport that he will have the Minister of Forestry sign these agreements indicates some realization on the government benches that there is a legal problem; and what we have suggested is that we will co-operate to help the government get over it. We just want a little frankness from the government. We want to know exactly what was done. We want them to initiate some step to make sure that this matter is corrected.

If this is being very stubborn, Mr. Chairman, then I submit I am being very stubborn. I may be old fashioned, but I would like to see government business properly and legally done. I would like to see the government come to parliament, not with a club in their hands saying "You will do this or else", but come to parliament and say "All right; we made a mistake. We want it fixed. This is what we would like done. Will you co-operate?" When we see this sort of action, we will co-operate. So long as the government is going to sit on its hands and say "Take it as is, and we couldn't care less how it is", then they are liable to find us being a little stubborn.

I do hope that before it is attempted to pass this item some member of the government will rise and give us a responsible answer to these questions; that they will give some reasonable satisfaction to this house, so that the business of this country can be straightened out, these questions can be answered, and we can properly pass this item.

[*Translation*]

Mr. Caouette: Mr. Chairman, we hear many declarations of love and speeches on the Canadian farmer's lot. A few moments ago, the hon. member for Nicolet-Yamaska (Mr. Vincent) dealt with the needs of our eastern farmers of which we are all aware. Those urgent problems, he said, are yet unsolved, and the government seems unwilling to provide a solution.

When my good friend was a member of the government, the same conditions prevailed. And they still prevail today. The statements made in this house are not so much meant to help the farmer as to draw the attention of *Hansard* readers. That is the main object of all those fond declarations and speeches. Farming is not considered an essential or basic Canadian industry. No, the farmer is just a football; for instance, the hon. member for Edmonton-Strathcona (Mr. Nugent) just stated that this government does nothing for the farmers, though he knows very well that this government sold more wheat to the communists all over the world than even the Conservatives did. He must be aware of the fact. When the Conservatives were selling wheat to the Chinese and Russian communists, they were condemned by the Liberals. Today, the Conservatives are blaming the Liberals for selling more wheat than they ever did to those countries.

Mr. Chairman, all those statements and declarations meant for the farmer, in no way take into account that agriculture is, after all, Canada's basic industry. If that basic industry is not organized, if neither prosperous nor stable, it will be impossible to stop this nation from disintegrating entirely, and its economy from collapsing.

Quite recently, there were reports from Soviet Russia regarding the handing over of some land to private enterprise, because the government made a mess of the whole business when it meddled with farming in that country.

Now, we do not want the state to administer our farming industry, but we want our farmers to get some help from the government so that they would prosper and attain a higher standard of living than at present, because they are certainly struggling with a system that has become intolerable.

[Mr. Nugent.]

Mr. Chairman, we have reached a point where farmers have to emigrate to cities, abandon their land and seek outside work to support their families. In the face of such a situation we ask ourselves where agriculture is going, where the farmer himself is going?

Mr. Chairman, reforms have to be made. There is above all assistance to be granted farmers in eastern Canada. For instance, if we consider that farmers in western Canada earn more than $6,500 per year, whereas, in the province of Quebec, most farmers do not earn more than $2,000 a year, we may wonder what will be the fate of farmers, of those people who rise at four or five o'clock in the morning to milk their cows and who go to bed at ten or eleven o'clock at night. For what do these people work? For 5 or 6 cents per hour, whereas there are people who spend their time speaking in favour of farmers and who rise at ten o'clock in the morning to milk the farmers instead of the cows.

Mr. Chairman, the farmers in eastern Canada need assistance.

An hon. Member: Order.

Mr. Caouette: Why, for instance, when the Conservatives were in power—

I see my hon. friend from Pontiac-Temiscamingue (Mr. Martineau), in the corner of the house, over there, trying to interrupt me. What was done for farmers in his own constituency when the Conservatives were in power? What was done in Temiscamingue, a constituency with which I am very familiar?

Mr. Martineau: Mr. Chairman, I rise on a question of privilege.

The hon. member for Villeneuve just said I interrupted him. I did not interrupt him, on the contrary, I listened religiously to what he said.

Mr. Caouette: I apologize to the hon. member for Pontiac-Temiscamingue. It is probably the member for Nicolet-Yamaska—

Mr. Vincent: Mr. Chairman, I rise on a question of privilege. I did not interrupt the hon. member for Villeneuve. However, I could have done so, for, at the beginning of his remarks, although he often speaks about things he does not know about, he told us I had been a member of the government. In this respect, Mr. Chairman, I must say I never had the honour of being a member of the Canadian government.

Mr. Caouette: Does my hon. friend acknowledge that he nevertheless was a member of the Canadian parliament, at that time?

Mr. Vincent: I beg your pardon?

[*Text*]

Mr. Nugent: On a point of order, Mr. Chairman, since the hon. member has been interrupted anyway I think I might as well correct a statement of his. He referred to me incorrectly as the member for Edmonton West—I am the member for Edmonton-Strathcona—and said I had accused this government of having done nothing for agriculture. I did not say anything like that in my speech.

The Chairman: Order. There was no question of privilege raised.

[*Translation*]

Mr. Caouette: Mr. Chairman, I would ask the hon. member to read again what he said, as recorded in *Hansard*, and he will see that he charged the present government with failure to face its obligations in the case of Canadian farmers.

Having said this, I was asserting that our farmers have to take outside work to be in a position to keep their farms, that there is an exodus of farmers towards the cities, that the Canadian agricultural policy no longer meets the needs of the farmers.

In view of the large sales of wheat to some communist countries, no doubt western farmers have earned an interesting income. In this respect, the farmers, regardless of the party in power, directly benefited from these important sales of wheat to other countries.

On various occasions, I called the attention of the house to this point: why should not the government set up or prepare a policy to enable eastern farmers, for instance, to buy feed grain or wheat produced in western Canada at the same price we sell those products to foreign countries?

Surely, if we can be generous to foreign countries, we ought to do the same for our own farmers. When we travel through farming communities, in the south of the province of Quebec, where in some cases, seven, eight, nine and even ten generations succeeded each other on the same farm, we readily realize that it is not because our farmers lacked courage or good will that after seven, eight or nine generations of hard labour, today's farmer is involved with provincial or federal farm credit.

Why are our farmers faced with such a situation?

Let us take a look at the settlement areas where an attempt was made to place settlers and favour farming. In those regions, 20 or 25 years ago, there were settlements of 200 or 250 families, but today, after 20 or 25 years of existence, there are only 80 or 85 families left, the others having gone back to the city looking for means to make a living and get a decent salary. And eventually, when there is not enough work, people become unemployed and have to depend on the government, the Department of Labour or the unemployment insurance commission.

To avoid that disaster for agriculture, why is not agriculture organized on a solid basis through assistance, for instance, to the establishment of farmers' sons who today, are not interested in staying on the family farm? Why not assist in the consolidation of old farms? Why not assist rural planning all across the province and the country, but especially in eastern Canada, where the problem is most acute and most urgent?

We must be assured that a farm policy is being developed, and that no advantages are taken away from an area to be given to another one, when both need help.

It is certainly possible to create a market in the province of Quebec. The government could guarantee the sale of food products and so on, help the construction of cold storages, in short help agriculture in eastern Canada as it does in western Canada.

The products of eastern Canada are as much in demand throughout the world as wheat. We should organize the agricultural production of eastern Canada and its exportation to southern countries. There are tremendous possibilities along those lines.

A short time ago, I met a man dealing in imports and exports, he gave me the inside story of what is happening today in the field of butter production and marketing. He suggested it might be interesting by using the means we have in this country, to put butter in small three ounce cans and sell it to southern countries which are interested in buying butter packed that way. The Minister of Agriculture was made aware of that. And do you know what the answer was? It was said that we could not do it, since we are not allowed to pack our butter in a different way; it was added however that industry is organizing such a marketing of Canadian butter, which would be exported to Germany where it would be packed in boxes and resold on the world markets. The Minister of Agriculture is well aware of that.

We might have created instead a new industry in the Granby area for instance, an industry that would have employed 2,000 or 3,000 men, while these 2,000 or 3,000 people will be Germans working in Germany to pack butter coming from Canada. Why? Because there are financial interests to be protected in the field of exportation and importation. The Minister of Agriculture is also aware of that.

We cannot make decisions by ourselves in Canada. We are afraid of assuming responsibilities, but we dare proclaim in this house

our love for the Canadian farmer, butter manufacturer or dairy producer, and so on.

Mr. Chairman, agriculture is an important item in a country. I said at the beginning that this industry is the very basis of a stable economy. If we are to have a stable economy—because without it all other social classes could not exist—we all depend on agriculture, because there we take the source of life, there we maintain the way of life that we have at the present time in this country.

We cannot be satisfied with making speeches, paying lip service to agriculture and doing nothing to help the farmers.

I do not come from a specifically agricultural area myself. True, we do have a bit of farming in our settlements, but I am from a mining region. On the other hand, the riding next to mine, which I represented in the House of Commons from 1946 to 1949, that is the constituency of Pontiac-Temiscamingue, is essentially agricultural. It is one of the most beautiful agricultural ridings in the whole province of Quebec. Now, that constituency has a problem concerning the settlement of farmers' sons and also one of consolidation to allow farmers to sell their products normally. There is an abundance of products, but nobody knows what to do with them.

And, with all that abundance, millions of dollars are giving rise to heated discussions; commissions are being set up to hold inquiries designed to set up more commissions; money is being provided to replenish the funds of the agricultural products board; salvage operations are being conducted right and left, with the result that the only one not being rescued is the farmer, who keeps on paying taxes and being overtaxed but does not manage to sell his products. And all the while we are keeping afloat a whole bunch of bureaucrats throughout Canada at the farmers' expense.

Mr. Chairman, I do not intend to take more of the committee's time. Only, let us stop making speeches and referring constantly to the magnificent role played by the farmers of the province and of Canada as a whole, when we do not even have the courage to put forward legislation to assist Canadian farmers, while we provide millions of dollars for all sorts of other things but cannot even find the time, for instance, to think of organizing a stable agriculture which would give Canada a look completely different from the one it has now.

Mr. Chairman, the farmers need our help, they certainly do. They need our attention. Of all the classes in our society, they get the least recognition and the worst treatment all across Canada wherever you go. They may be better treated in western Canada—which is essentially a farming area—than in eastern Canada; all you have to do is to visit the agricultural parishes and the farmers themselves to see that this is true. You cannot get a true picture by driving 60 or 90 miles an hour past well painted farm buildings; indeed not.

Let us go right into the farmer's home to inquire on the spot about the conditions prevailing in our province. Then, I trust that the Minister of Agriculture will assume his responsibilities with regard to the Canadian public, and introduce some legislation meeting with the approval not only of a single group, or of all hon. members, but of the whole Canadian people, because no social class, I am certain, has yet been treated as unfairly as the farmers.

Let us stop being facetious and let us try to serve them better in future.

[*Text*]

Mr. Danforth: Mr. Chairman, I think there is more interest across Canada at this time in the estimates of the Department of Agriculture than at any other time when agricultural estimates have been brought before the house. Although the unfortunate circumstance of the transfer of duties between ministers directed special attention to this department, in my view farmers across Canada are more interested in the discussion of these estimates because they are waiting for the government to make a definite statement of their policy for the first time with regard to this important industry.

When the minister took office last May the farmers did not expect him to be able to come forth with a new policy at once. They understood that he was new in politics and new to the administration of the Department of Agriculture, one of the larger departments of the government. But after the passing of almost 12 months the farmers feel that they are entitled to a definite statement of policy. They were not aware, of course, of the idea of transferring responsibilities. They did not know that the minister was held up in the development of a policy first of all by the fact that, as we were given to understand last May, there might be a second minister of agriculture for eastern Canada and a certain hon. member was earmarked for that very important post.

We in the opposition waited very patiently to see what would develop. No legislation was introduced to create this most important post and it was during the recess between sessions that we learned that the Minister of Forestry was going to take on the additional duties of minister of agriculture for eastern Canada. Once again the entire farm population of Canada was left in confusion because the farmers saw that once again there could be delay in the formation of a policy.

The minister has had very few opportunities in the house to put forward a definite policy on behalf of the government. Such policy as we have had has been announced in bits and pieces. It is the hope of the opposition that the minister will avail himself of this opportunity to state the policy of the government on the various aspects of agriculture for the very first time.

In the few remarks that the minister made last Thursday he spoke of ARDA, which is considered by many in Canada to be one of the most important pieces of legislation so far as the future of agriculture is concerned. The minister spoke of eight employees in his department who would be transferred, in the event of ARDA being removed from his jurisdiction. We are beginning to suspect that the government does not appreciate the magnitude of the agricultural problems that can be solved by means of the administration of this most important act. Instead of the government having only eight employees engaged in the administration of ARDA, and in investigations under that act, there could profitably be 80 employees.

One field in which this act could be of the greatest benefit to the Canadian people is that of conservation. There are many areas in Canada today where the farmers lack water, that most important and necessary of all assets in producing grain and feed for the future. Surely at a time when other countries are talking about diverting the waters of some of the largest rivers in the world in order that there may be enough water for their people the government should be able to see that right in southwestern Ontario lack of water is one of the greatest worries facing agriculture. As a matter of fact, there is talk now of a water grid for southwestern Ontario in order that the municipalities and farmers may have enough water, and under ARDA the government has a splendid vehicle to develop and promote this very necessary asset for agriculture.

I was much impressed indeed to hear the hon. member for Port Arthur state that in his opinion ARDA was being neglected. Surely that is the opinion of the entire opposition. We have the legislation, we have the vehicle, and we have a government in power that has promised to help the farmers. Here is an area where they can move effectively and with real benefit to all of Canada. Yet we have not even had a statement of policy from the government. The minister says there is no clash of personalities and that if ARDA and its eight employees are taken from his department there will be no ill feeling. Perhaps there will be no ill feeling on the part of the minister, but there is certainly a great deal of confusion and ill feeling on the part of those in this country who are experienced in agriculture.

One thing the minister dealt with was the grain policy in the east. He referred to the number of tons or bushels of grain in the east this year, thanks to the policy of the government. It is true that there is 47 per cent more grain in the east, I believe, than there was a year ago. It is true that this will probably take care of the needs of the feeders in agriculture in the east. I give the government credit for this, they showed foresight. But once again this is not a policy: It is a stopgap promotion. They were faced with a problem which they met by an emergency measure, but this does not solve anything. They gave assistance in the transportation of grain, and this is fine. They built up the storage of grain, and this is fine. But, sir, we in the opposition feel that under this program there is a possibility that many of the grain merchants will derive far more benefit than the farmers it was designed to aid.

I should like to deal with farm credit for a moment. One of the speakers who preceded me stated that there is confusion in the department with regard to this important part of the responsibilities of the Minister of Agriculture and that because of the transfer of responsibilities the department in effect did not even know to which minister it was responsible. How can responsible officials of a department carry out their duties when not only has no policy been laid down for them but they are not even sure under which department they come? It seems to me this is a most ridiculous position for agriculture to find itself in, in this day and age.

Under the present government the farmers of the country were led to believe there would be immediate changes in farm credit policy. It was stated that the amount of money available to a young farmer to keep him on the farm was not enough, that the ceiling should be raised and that legislation would be introduced to take care of this very important segment of the population. But here we are almost 12 months later, and there has not even been an announcement by the minister that such legislation is contemplated.

The price of land has gone up drastically in certain sections of Canada and we agree that the limit of $20,000 on the amount which a young farmer can borrow to buy land is not enough. We agree that something has to be done to take care of the situation and keep these young men on the land. The opposition cannot bring this about. We can only urge the government to introduce legislation, we cannot force them to do so. This is why we criticize the lack of policy today. Put the

legislation before us. We say to the government: Carry out your promises to the farmers, and with both sides of the house working together let us give the farmers of Canada the necessary legislation and assistance they need.

Reference has been made to crop stabilization. We have not had an announcement of policy in connection with stabilization since the minister took office, although we heard promises during the election campaign. I do not wish to go through all the promises that were made with regard to agriculture, but I should like to deal with a few of them.

I should like to speak about sugar beets for just a moment. During the last election campaign Liberal candidates said the previous administration had no policy with regard to sugar beets. One of the first things they were going to do was to formulate for the first time in Canada a definite sugar beet policy. It is now 12 months later and, goodness knows, we have had a crisis in connection with sugar during that time, but we have no policy announcement as yet from the Department of Agriculture. The Minister of Trade and Commerce has said this problem is being considered. I am sure the new minister will take this problem under consideration. However the farmers of Canada want more than consideration; they want some action.

Then, what about soybeans? In my area, where soybeans are grown in large quantities, when hon. members opposite were on the hustings they said the support price for soybeans was far from adequate. They said the farmers were entitled to a support price of no less than $2.40 per bushel. Well, this government has got the price up to $2.17 per bushel, 1 cent more than it was under the previous administration. Is this the policy of the government? Is this all they intend to do? Is this the way they live up to their promises?

Today I asked the minister a question about butter, and he was courteous in his answer to me. He said they were looking into this question and it was being taken into consideration. This is not policy. We have heard today an announcement by the British government that they are going to increase the quota on butter coming into Great Britain this year by 2½ per cent. This does not sound like very much, but when you realize the vast quantities of butter imported into Great Britain, 2½ per cent really means thousands of tons of butter. If there is anything we have in surplus quantities in this country, it is butter. If there is anything this country can produce, it is butter. We would like the minister to say what the policy of this government is with regard to taking over a larger share of that market. We need this market, and we need this policy.

[Mr. Danforth.]

During the session last year we heard a lot about Bill No. C-5 introduced by the hon. member for Essex South. The purpose of the bill was to help farmers by guaranteeing their rights when they took their produce to canning plants. This bill was shelved. During the last days of that session the Prime Minister stood in his place and said the subject matter of the bill would be given consideration and when the Bankruptcy Act was amended provision would be made to take care of the farmers. The farmers need this protection, sir. As yet however we have had no announcement of policy; nothing has been done.

We are in the midst of the greatest evolution in the history of agriculture. Policies for agriculture that are introduced today are obsolete by tomorrow. It has been admitted that automation is creeping into agriculture. We hear about marketing schemes and about co-operatives. We hear about vertical integration, and these are new terms in connection with agriculture. As I have said, agriculture is going through a process of evolution.

The minister has mentioned what was done under the previous administration, and then he has said, "We have done this much more." This is not policy. This is nothing new. When the previous government introduced a policy for agriculture, that was not the end, Mr. Chairman, it was the beginning. The policy of this government seems to have been, whatever you were getting we are going to give you more. We have to have new ideas. We have to have new goals. We have to know what is wrong with agriculture and act upon that knowledge. This government has received briefs from the farmers' union, from the federation of agriculture and from the different commodity groups in agriculture. These men are learned men; they are technicians in connection with agriculture. They know what the questions are and what the answers are. But, Mr. Chairman, although these men have produced this information, they have produced the studies and done the groundwork for the government, we have no policy announcements from the government as yet. The farmers are confused. We can understand why. The time is coming when the minister will have to stand in this house and say that this government has the following policy in connection with agriculture.

I am, myself, very disappointed that the administration of agriculture is to be divided. We are told that the Minister of Forestry will assume responsibility for some branches of agriculture, and that the Minister of Agriculture will retain some branches. There will be a committee of three taking responsibility for agriculture, a troika. The committee of three will be the Minister of Trade and Commerce and the Minister of Forestry acting

under the chairmanship of the Minister of Agriculture. The government says this is a policy, to divide the responsibility for agriculture amongst three people, and agriculture will go forward as it never has before. This policy is inconsistent with the policy of the government in connection with the Department of National Defence because they are doing exactly the reverse in connection with that department. You cannot have it both ways. You cannot consolidate in one department and spread out in another department and call this consistent policy. I think the farmers of Canada have been very patient. They have waited for 12 months for a policy announcement to which they are entitled. These policies were promised to them. Hon. members opposite said that when they came into office they had the answers, and the farmers believed them. Now the farmers know for certain that hon. members opposite not only do not have the answers, they do not even know the questions.

[*Translation*]

Mr. Pigeon: Mr. Chairman, I am very happy to see the Minister of Agriculture (Mr. Hays) in his seat, because it is not often that he is seen in the house.

We on this side of the house would be very pleased to hear him define this government's policy with regard to agriculture.

On the orders of the day, I asked the minister whether he was in favour of sharing his responsibilities with another cabinet minister? The minister refused to answer, and we want to give him an opportunity of replying to a most important question while announcing this government's policy.

Mr. Chairman, the farmers are going bankrupt under this government, because it has no definite farm policy.

We do not know where we are going. In fact, last week, I asked several questions on agriculture but did not receive any answer.

We want to know why the Minister of Agriculture makes statements in the west and the Prime Minister, in answer to a question put to him, said that the Minister of Agriculture was ill. We would like to know whether the Minister of Agriculture was actually in Winnipeg a few days ago or whether he was confined at home or in the hospital as a result of illness.

Mr. Chairman, the production of cigarette tobacco in Canada is an important sector of the agricultural economy of our country. And the Minister of National Health and Welfare (Miss LaMarsh) made unfortunate statements against smoking.

The consumption of cigarette tobacco in Canada has been decreasing alarmingly for some time, and I suggest that the Minister of National Health and Welfare is largely responsible for this situation because she contributed to worsen it.

For the fiscal year ending March 31 last, taxes on tobacco yielded $171 million to the federal government. When the consumption of cigarette tobacco decreases, this not only directly affects a large part of the farmers, such as tobacco growers of Quebec and Ontario, but reduces also the revenue of the federal government.

I am asking the Minister of Agriculture what policy he intends to set forth to repair the considerable damage suffered by the cigarette tobacco growers as a result of the unfortunate statements of the Minister of National Health and Welfare.

I read lately in a magazine that there is no evidence that tobacco is a cause of cancer, and I wonder why the Minister of National Health and Welfare ventured in such a field since she was entirely unqualified to do so.

In addition, Mr. Chairman, if consumption of cigarette tobacco decreases, the working class will be affected. I have here an article according to which the cigarette factories in Quebec are reducing their staff. That is the result of the statements made by the Minister of National Health and Welfare.

We, on this side of the house, would be pleased to learn from the minister what he intends to do in order to help farmers whose income is ever decreasing. All farm publications are giving the alarm to the government and asking it to take a definite stand. Mr. Chairman, how can the present government have a farm policy when the Minister of Agriculture is always absent from the house and when members of the opposition are unable to put questions to him and to ask him what he intends to do to help farmers?

Mr. Chairman, once again I am calling on the minister to answer this question: What does he intend to do to encourage agronomists and agricultural technicians from the province of Quebec to come to Ottawa to take their place in the federal Department of Agriculture?

I am also asking the Minister of Agriculture to give special attention to federal experimental stations in Canada to increase research, but not to forget experimental farms in the province of Quebec. In the last ten months, agronomists and agricultural technicians in Quebec have been leaving the experimental farms belonging to the federal government to work for the provincial government and in industry. There is, in the riding of Joliette-L'Assomption-Montcalm, an experimental farm which has been going downhill for some time, that is since the government came to power. I ask the minister to take the necessary steps in order to rectify

this situation and urge the agronomists and farm technicians to take their place in the experimental farms.

I also ask the Minister of Agriculture to increase the estimates for research in our experimental farms, and particularly in the province of Quebec.

In closing, I shall repeat in English the question I asked the minister on the orders of the day, so as to give him the opportunity to answer me:

[*Text*]

I ask the minister if he agrees to share the responsibilities of his department with another minister? I ask him a direct question and give him an opportunity to answer right now.

The Chairman: The hon. member for Pontiac-Temiscamingue.

Mr. Pigeon: No, Mr. Chairman. I directed a specific question to the minister and I think it is my privilege to receive an answer.

The Chairman: Order. Perhaps the hon. member will have an opportunity later on, but it would be more orderly if hon. members made their speeches on this item and then the minister would have an opportunity to reply later.

Mr. Pigeon: I am waiting for an answer.

The Chairman: The hon. member for Pontiac-Temiscamingue.

[*Translation*]

Mr. Martineau: Mr. Chairman, in order to allow the Minister of Agriculture (Mr. Hays) to consider what answer he should give the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon), I shall take a few minutes to put a few questions concerning the agricultural policy of the government.

To begin with, could the Minister of Finance (Mr. Gordon) explain satisfactorily his complete silence during his budget speech with regard to farmers' needs. I consider this failure on the part of the Minister of Finance a real disgrace. I should like to know why, to a question asking him for an explanation, the minister merely said in his usual offhand manner: "Well, farmers have children—" That was a reference to the fact that from now on, family allowances would be extended to students of 16 and 17 years of age.

But the Minister of Finance has refused to understand the needs of a basic industry in our country. Neither he nor the Minister of Agriculture have been able to give us satisfactory answers on that matter.

Mr. Chairman, I was dismayed, on Thursday, to hear the Minister of Agriculture take the credit for the enactment of the Agricultural Rehabilitation and Development Act. We have noted this completely unfounded assertion on the part of the minister. If he wants to take the responsibility and the credit for this legislation, he should give it the necessary understanding to make it efficient. I say, it has been one of the finest gestures on the part of the former minister of agriculture, the hon. member for Qu'Appelle (Mr. Hamilton), to plan this legislation and later have it passed and, in doing so, to have prepared the ground for a renewal of the rural and agricultural development in this country. But it was not enough to have a grandiose plan and to understand the actual needs of the farmers; it was necessary, once that legislation was passed, to implement it, to reach the necessary agreements with the various provinces and to really make it one of the mainstays of the whole agricultural policy.

Well, the Minister of Agriculture, by his ill-founded assertions on that subject, saying that only eight people looked after the implementation of that act, proved that he did not have the slightest idea of the possibilities of the said act, that he could not care less and, what is even more serious, that he did not understand the needs of the farmers and the rural population.

Mr. Chairman, a few moments ago, I heard the hon. member for Villeneuve (Mr. Caouette), with whom I seldom agree. I agree with him when he says that the farmers' needs are tremendous. He has singled out my own riding which is essentially a rural one. He expressed high hopes concerning the application of the ARDA program because, in his opinion, this legislation is one of the ways by which the now extremely urgent transformation of the agricultural and rural areas will come through.

Mr. Chairman, this does not only concern farm land as such, it has to do with a greater problem, namely the adaptation of the rural areas, including not only tillable and farm land, but also villages and the vast spaces surrounding the farm areas of our country, particularly in the province of Quebec.

With ARDA, we see the possibility, first of all, of transforming into profitable units farms which are no longer an economic proposition; second, the possibility of creating new rural industries; third, the possibility of employing advantageously farm labour and farmers' children.

The needs of the agricultural class in Canada's rural districts are immeasurable. The farmer is at the crossroads. He has to face an increasing cost of living, scarce manpower,

difficulties in supplying himself, at reasonable prices, with feed grains and in securing the machinery required for his farm.

All these problems are essential parts of the rural and agricultural problem. This government does not seeem to understand these basic problems, and that is the reason why the rural districts are still depressed.

Whether it is the present Minister of Agriculture who carries out the responsibility of rural rehabilitation, or whether it is handled by the Minister of Forestry—who is now sitting in his seat—it matters very little. Personally, I think that may be the Minister of Forestry is more capable of handling this problem and also to understand it by putting it in its proper perspective. But whoever is handling it, the government must face up to its responsibilities and must avoid deceiving the sanguine hopes that have been given the agricultural and the rural people by the former parliament when they passed the Agricultural Rehabilitation and Development Act called ARDA.

That is why I join with all those who spoke before me and I urge the government to act resolutely and intelligently in carrying out this program and helping the many farmers scattered throughout the country, many of them in the province of Quebec and in my own riding, who were extremely disappointed by carelessness of the present government toward the agricultural class.

I feel that the government is confirming its indifference towards these problems by allowing the Minister of Finance to present a budget which ignores completely the rightful needs of the agricultural class.

[*Text*]

Mr. Knowles: I should like to ask a question or two about the item under discussion. I do not wish to cut off the general discussion and I would certainly like, as well as other hon. members, to hear the answers to some of the questions asked during this discussion; in particular I should like to hear a little more about that period between February 3 and February 20. I should also like to hear more about ARDA and the other branches concerned.

However, I think that at some point either the Minister of Agriculture or the Minister of Finance might say a word about the item before us. We are being asked to vote a supplementary estimate of $60,000 which breaks down into two parts, $59,604 for professional and special services and $396 for a commemorative plaque to the Food and Agriculture Organization. If I may take those two items in reverse order, we should like to be told about this plaque—its purpose and what the significance of it is. With regard to the other item, can we be told what these services are? Is this a salary or a payroll item and, if so, does it represent payments made to people in the public service, or are these payments to consultants or outsiders? Are they payments which have to be made before the end of the fiscal year and, if so, have they already been made despite the fact that the vote has not been passed? In other words, I should like some details as to the item actually before us, even though I do not wish to cut off the interesting general discussion we are having.

Mr. Hays: In answer to the hon. member's inquiry may I say that the amount of $396 is in respect of a gift to the Food and Agriculture Organization of a bronze plaque commemorating the inception of the FAO in 1945. It was presented at the recent FAO conference. The amount of $59,604 represents the cost of conducting a financial management survey of the department undertaken at the request of treasury board. The total cost of this survey is $79,000.

Mr. Knowles: May I ask the Minister of Finance if the item has yet been paid?

Mr. Gordon: No, Mr. Chairman, it has not been paid.

Mr. Churchill: What is the name of the firm?

Mr. Gordon: Price, Waterhouse and Company.

Mr. Diefenbaker: I am glad the minister has started to answer some questions. The questions he answered were comparatively trivial. He has been asked for a statement on agricultural policy—

Mr. Knowles: On a point of order, I do not think that questions asked about items in the estimates, while the committee is scrutinizing the estimates, should be called trivial. That is what we are here for.

Mr. Diefenbaker: I am glad the hon. gentleman has come back to the view that these are matters of importance, and that is the reason for the stand we took the other day—not over a matter of $30,000 or $40,000 or $70,000 but over a matter of $140 million which the government endeavoured to have passed without opportunity for proper debate.

Mr. Knowles: It is $240 million.

Mr. Diefenbaker: Yes, $240 million and I am glad the hon. gentleman joins with us now because, after all, these things are important.

I ask in what circumstances we were brought back here. Why should we have been brought back here? Because we decide to

take a stand and demand that full opportunity be given to parliament to examine this expenditure of $240 million? We were told, after gross delay on the part of the Minister of Finance: We shall sit tonight for a couple of hours and if you do not pass these estimates then in effect you will have to deny yourselves the holiday which is customarily allowed at Easter time. Indeed the carrot is still before us in the motion which rests on the order paper, reading:

> That immediately after royal assent has been given to the bill providing for the appropriation based on supplementary estimates (E), this house adjourn until Monday, April 6, 1964.

The only reason for that motion being there is to dangle it in front of us as a carrot to bring about the passage of this vast amount of money.

Mr. Nowlan: Is it a carrot, or a club?

Mr. Diefenbaker: I will come to that. It is dangled in front of us as a carrot to bring about the passage of this vast amount of money without the fullest examination, and we have had no information on these matters. The hon. member for Digby-Annapolis-Kings said, "Is it a club?" They tried the club the other day, and it did not work. Now they have added the carrot to the club in the motion in question.

I intend to refer to the fact that here we are asked to pass these items, the indication being that we are to pass them before March 31. It is of interest to see sitting opposite the genial Secretary of State for External Affairs and the Minister of Transport. I like to look back and take the views that they expressed only two years ago—

Mr. Martin (Essex East): Just before an election.

Mr. Diefenbaker: —for after all, by their past you can judge them. They claim, by inference, that these supplementary accounts have to be passed by March 31. Nothing of the kind.

Mr. Martin (Essex East): May I ask the right hon. gentleman whether he would assist my memory. Was not that just before the election?

Mr. Diefenbaker: Oh, Mr. Chairman. See, the rules are different when the opposition indulges in this kind of action just before an election. We do not believe in that; we believe that the rules are the same before or after an election.

Mr. Martin (Essex East): I want to be helpful. I just wanted to get some information.

Mr. Diefenbaker: I beg your pardon?

[Mr. Diefenbaker.]

Mr. Martin (Essex East): I was just asking for some historical information. Was it just before the election?

Mr. Diefenbaker: I will come to that in a moment. That indicates the philosophy the hon. gentleman has always had; that if it is before an election, whether it is right or wrong, wrong as it is it is always right if it suits his purpose. He has apparently forgotten the situation. But I am here to say why, under this general item, parliament is not going to allow itself to be browbeaten by those people sitting opposite. Let that be clear. Let me point out also that there was no reason for the recalling of the house today by the pleaded necessity that these estimates have to be passed by March 31.

I shall refer to what happened in 1962. We brought in the final supplementaries in the middle of March. We started to debate them. Some $138 million was involved. We said they could be passed in a matter of three days, and they were debated on March 28, 29 and 30. The Liberal party that today is in office was then in opposition, and I may identify personally these distinguished representatives, if they feel it desirable that they should receive that attention. I point out that we did not take the stand they had to be passed. We said it was a fine objective that they should pass; the hon. member for Winnipeg South Centre said, "That is our objective", but in no way pressed the necessity of passage. They were not concluded in any way. The debate went ahead for three days. The then opposition, the government of today, debated these estimates at length. They did not have the views that the Minister of Justice has today, that parliament has to pass these items before the end of the fiscal year. That was not their view then. The debate continued on April 6, 12, 13 and 16. I think this has to be very definitely underlined and emphasized. As a matter of fact, the appropriation bill was not passed until after consideration on April 17 and 18. I mention this because there are some people endeavouring to leave the impression that because the end of the fiscal year is approaching, we have to pass these items; that they have to be passed before March 31. Nothing of the kind. I want to make that clear.

The only reason we were brought back here is that the government, and particularly the Minister of Justice, found themselves in an impossible position in moving that the house should sit on Good Friday and then again had to beat one of those retreats to which the government has become so addicted. It is a very interesting position. On Thursday, he did not know where to go, and said, "We will come back tomorrow". Then within an hour the Prime Minister, realizing the

nature of the step that was being taken, announced, "Of course we will not sit on Good Friday". Now we are back here, and we intend to examine these items fully and completely; let that be clear. We do not intend to accept the carrot now being held out with regard to the Easter recess. We intend to examine these items, and if we do not get any more information than we have got so far, it is going to take quite a while.

I can realize the position of the Minister of Finance. He has tried very hard; he has no doubt endeavoured to bring about reductions, and yet the harder he tries, the greater the increase in the expenditures. I can well understand the position of the Prime Minister. When speaking in Toronto on March 14 to a gathering of his party he said, "Poor Walter Gordon is going to bring his budget in on Monday. Surely we can spare him just a moment of silent prayer".

Some hon. Members: Oh, oh.

Mr. Gordon: Mr. Chairman, I just want to thank all hon. members.

Mr. Diefenbaker: Mr. Chairman, I thought he would be indulging in what the Prime Minister suggested would be a good exercise for the rest of us. Anyway that is the position; expenditures are multiplying. These people opposite said all that had to be done was to bring about a change of government and expenditures would go down. We are going to deal with these various items, but I am not going to deal with them now. I say to the Minister of Agriculture that I feel for him; he is in a desperate position. Everybody is taking away from him. As a matter of fact we do not know whether he was a usurper between February 3 and 20. Certainly I am using the word "usurper" in its finest connotation, as being a person who exercises authority which he has not got, and does it regardless of the rules. We want to know about this. We have not yet had the story from him. I feel very badly for him when I see the triumvirate—no, the diarchy set up for the purpose of controlling the Minister of Agriculture. They do not trust him; they have the Minister of Trade and Commerce taking over part of his duties, and then there is the Minister of Forestry, who made a speech in Winnipeg to which I shall refer later on, saying what he would do as minister of agriculture. I simply refer to that. It hurts me as much as it hurts him to say this, but I have to say it. I want to know, parliament wants to know and Canada wants to know what has happened to the minister. They should not subtract from him. Why, he does not know today what his powers are; he does not know what business he has. We do not know where these things are. Where is ARDA? Is it under the Minister of Forestry? Before we get through, the Minister of Fisheries will have something to do with that. The way they shuffle these things around, they do not even know their own orders in council. We want to find out about these things. What we do know is that while all this monkey business is going on and this—what do they call this game of shuffling chairs?

Some hon. Members: Musical chairs.

Mr. Diefenbaker: While this game of musical chairs, without the music, is going on the expenditures are mounting up—they are mounting up ever and anon. As a matter of fact I should point out that the *Globe and Mail* in its business editorial said that business deplores the spending rise at Ottawa, and the vice president of the Canadian Manufacturers' Association said:

> There seems to be no end to the jumps in spending.

The economic adviser to one leading manufacturing and resources company said this:

> Either the government has lost control of spending or it has become completely irresponsible.

I think he is wrong, because he provided an alternative. It is both. I could quote from others. The president of the Canadian Chamber of Commerce said, "It is disturbing". Certainly it is disturbing. Yet these people sitting opposite held a club over us and said: "Either you pass these estimates or sit on Good Friday". But they had to beat retreat on that one, because public opinion forced them to do so.

Mr. Favreau: Mr. Chairman, on a question of privilege, I should like to ask the right hon. gentleman when, where and how I even intimated that we should sit on Good Friday. On the contrary, I had to make three motions on the Thursday just to avoid that very thing, and in two of them I said expressly that it was to avoid sitting on Good Friday. The only reason we were called back on Good Friday was because one of the hon. members on the other side refused consent.

Mr. Diefenbaker: Mr. Chairman, I was hoping for that propaganda alibi. What they are trying to do is to place the responsibility on one hon. member. The responsibility rests on the government. That was a smooth one, but almost anyone can see through its transparency. The Minister of Justice moved that we sit on Good Friday and then that we resume on Monday at the hour of 2.30 p.m.

Some hon. Members: No.

Mr. Peters: Mr. Chairman, I am rising on a point of order. I should like to ask whether

the debate which is now taking place is not both redundant and very much out of order.

The Chairman: Perhaps I can read the item which is now before the committee:

Resolved, that a sum not exceeding $60,000 be granted to Her Majesty for agriculture, administrative branch—

This is the item before the committee.

Mr. Diefenbaker: Yes, Mr. Chairman, that is the item before the committee, and as always on the general item the widest discussion is permitted. With regard to the suggestion of the hon. gentleman, it is always those people in the N.D.P.-C.C.F. who adopt an unctuous attitude in parliament.

Mr. Peters: Mr. Chairman, on a point of order, instead of this self-righteous position taken by the Leader of the Opposition I suggest we follow the rules of the house, that you draw attention to the fact that we are now on the agriculture item, and that we should stay on it until we have completed that order of business.

Mr. Diefenbaker: Mr. Chairman, I never knew that being unctuous was unparliamentary. I do not think that the hon. gentleman knows what the word means; but I would point out this fact, that he himself contributed to this state of affairs. I refer to page 1534 of *Hansard* where, after the hon. member for Edmonton-Strathcona had spoken, the following appears:

Mr. Deputy Speaker: The hon. member for Timiskaming (Mr. Peters).

Mr. Peters: Mr. Speaker, I would like to call it six o'clock.

I simply point that out. I should like to read the rest of the record so that the Minister of Justice will not be able to befog the issue and place before the people a story inconsistent with the facts.

Mr. Peters: Mr. Chairman, again I rise on a point of order. Is it the intention of the Chair to direct the attention of the committee to the particular item which is before us?

Mr. Churchill: So you can't take it.

The Chairman: The hon. member knows that the Chair has already done that. The suggestion was made that the Chair should bring to the attention of all hon. members the item presently before the committee. We certainly agreed before we started the study of these supplementary estimates that the widest possible discussion would be allowed on the first item, although I do feel we should perhaps limit ourselves to matters connected with agriculture, and to my mind we may be straying away a little from the item under consideration when we discuss the matters of procedure that preceded the debate which is taking place today.

[Mr. Peters.]

Mr. Cameron (Nanaimo-Cowichan-The Islands): Mr. Chairman, could I ask whether corn has anything to do with agriculture?

Mr. Diefenbaker: The hon. gentleman always has the capacity to analyse things in a way that all of us understand. I always follow the course of co-operating with the Chair, but the Minister of Justice has tried to place responsibility on this side of the house and I will just read the balance of the record as part of the general discussion; I ask for that right.

Some hon. Members: Oh, oh.

Mr. Diefenbaker: Surely we are not to be denied the right to explain what happened, and why we are here, when the responsibility rests on the government for endeavouring to bring about a situation unworthy of the House of Commons.

Mr. Howard: Mr. Chairman, on a point of order, surely the rules apply equally to the Leader of the Opposition. He is no longer the Messiah he was when he was in government.

Mr. Diefenbaker: I do not know how the hon. gentleman knows anything about the Messiah because in the 1958 year book and parliamentary guide he described himself as an atheist.

Mr. Howard: Mr. Chairman, I rise on a question of privilege and point out to the Leader of the Opposition that he is just as inaccurate in that reference he has made as he is in most other things. I would ask that he read the record and also that he stick to the rules.

Mr. Diefenbaker: Any more Messiah suggestions?

Mr. Howard: How about King John; do you like that better?

Mr. Diefenbaker: I was just coming to the conclusion of this reference before I was subjected to these interruptions.

Mr. Howard: Complete disregard of the rules.

Mr. Diefenbaker: *Hansard* continues:

Mr. Deputy Speaker: In the absence of any order of the house, if we adjourn at this point, then of course according to the rules of the house we will resume tomorrow at eleven o'clock.

Mr. Howard: Complete disobedience of the Chair.

Mr. Diefenbaker:

Mr. Favreau: Mr. Speaker, in order to avoid—

Some hon. Members: Six o'clock.

Mr. Favreau: —having to sit on Good Friday, I suggest that the house give unanimous consent to adjourning until Monday, March 30, at 2.30 p.m.

Some hon. Members: No.

Mr. Nugent: Refused.

Mr. Deputy Speaker: Order. Since there is obviously not unanimous consent, this house stands adjourned until tomorrow morning at eleven o'clock.

I wanted to cover the whole thing entirely and completely so that there would be no misunderstandings. Mr. Chairman, it is now five o'clock.

The Chairman: Order. So that the house may proceed to the consideration of private members' business pursuant to section 3 of standing order 15, it is my duty to leave the chair.

Progress reported.

Mr. Deputy Speaker: Order. It being five o'clock the house will now proceed to the consideration of private members' business as listed on today's order paper, namely notices of motions.

HEALTH AND WELFARE

SUGGESTED AMENDMENT TO PROVIDE EMERGENCY AMBULANCE SERVICES

Mr. H. C. Harley (Halton) moved:

That, in the opinion of this house, the government should give consideration to the advisability of amending the Hospital Insurance and Diagnostic Services Act to provide for payment, in agreement with the provinces, for emergency ambulance services.

He said: Mr. Speaker, in speaking to this private members' notice of motion I should like to review ambulance services as they now exist across Canada. In the city of St. John's, Newfoundland, ambulance services are operated by the government with the aid of a federal grant. In the province of Nova Scotia ambulance services are generally provided by the funeral directors in the province. This is also true in the province of Prince Edward Island. In the province of New Brunswick the major hospitals in the larger cities run ambulance services, but in the smaller towns these services are again run by the funeral directors. In the province of Quebec most of the ambulance services are provided by the funeral directors, and in the city of Montreal they are covered by police ambulances.

In the province of Ontario the provision of ambulance service is quite varied. In the city of Toronto the city itself owns and operates a municipally controlled ambulance service. In Oakville, the town in which I live, the ambulance service is subsidized by the town at a cost to the town of $12,000 a year. In addition of course the ambulance operator charges the normal ambulance fees, but the operation is still a losing proposition. In the town of Georgetown, also in my riding, the ambulance and ambulance quarters are provided by the municipality itself and the

ambulance service staff is made up of volunteers from the town. They are unpaid and provide a 24 hour, efficient, trained ambulance service.

In the province of Manitoba, Winnipeg has a combination of public and private ambulances. In the rest of the province ambulance service is provided, generally speaking, by funeral directors. In Saskatchewan there is some provincial legislation requiring that drivers of ambulances must be trained in first aid. In the cities of Saskatchewan the ambulance services are subsidized while in the rest of the province services are again provided by funeral directors. In the province of Alberta there is provincial legislation covering drivers and equipment but not the ambulance vehicles themselves. In that part of the province outside of the cities service is provided by funeral directors. In the province of British Columbia the situation is well taken care of in the city of Vancouver, but in the rest of the province there is a varied amount of coverage. In some areas coverage is provided by the municipalities and in other areas by the fire departments.

In reviewing the provincial situation I would point out that eight out of the ten provinces have no legislation on their statute books covering ambulance services, vehicles or the training necessary for the people who operate ambulances. The basic problem is a financial one and it is to cover the financial problem that I have proposed this notice of motion today. If the financial problems were solved, ambulance operators could provide good vehicles, adequate equipment and adequately trained personnel.

As I have mentioned, there are basically three types of ambulance service provided in Canada. The first is that provided by funeral directors as an extension of their funeral services, but funeral directors are gradually leaving the ambulance business because it is not profitable. For years dead people have actually been subsidizing injured people. The funeral directors have been providing ambulance service out of their other income and they are gradually drifting out of the business. The second group comprises those who provide privately operated ambulance services. These operations are so unprofitable that in many areas the operators have been subsidized by the municipalities. The third group is composed of the publicly operated ambulance services which are directly operated and controlled by municipalities.

As I have mentioned, the private enterprise ambulance operators cannot make a living, or if they do they find it impossible to provide proper vehicles and the proper training for their drivers in order to make the service

adequate. What is needed first of all is legislation regarding minimum standards of vehicles, equipment and trained personnel. This is a provincial responsibility and I am not going to discuss it further. However, I should like to say in passing that in Ontario a committee has been set up by the provincial government after representations from the ambulance operators, the medical association of Ontario and the chamber of commerce.

The second thing that is needed, and which I would hope to cover by this motion, is financing. I am convinced that if we can solve the financial problem the other problems will straighten themselves out. The resolution reads in part as follows:

—to provide for payment, in agreement with the provinces, for emergency ambulance services.

The resolution would bring emergency ambulance services under the terms of the Hospital Insurance and Diagnostic Services Act. The words "for emergency ambulance services" are included to prevent ambulances being used as a glorified taxi service. This wording is used to ensure that those who suffer an accident or sudden illness will be transported quickly to where they can obtain medical aid and so that ambulance fees will not be covered in the case of people who may have to go to a hospital for a blood test or who are being admitted for something that is not of an urgent nature.

As I mentioned, generally speaking ambulance services in the past have been provided by funeral directors who are gradually getting out of the business. People who are involved in accidents are often not very eager to pay for ambulance service and their reason for not wanting to pay is a justifiable one. When people are injured in an automobile accident they do not call the ambulance and therefore they do not feel that they should be required to pay for the ambulance service. Statistics show that in some areas as high as 90 per cent of ambulance service fees, which would normally be collected as the result of the use of ambulances after accidents, are actually never collected.

While one does not like to speak of money with regard to such an important, humanitarian operation as the provision of ambulance services for the people of Canada, without fees dedicated ambulance drivers and operators cannot stay in the business. My answer to the problem, which is not the only solution but is one that would serve the purpose very well, is to include bona fide emergency ambulance services under the terms of the Hospital Insurance and Diagnostic Services Act. This measure would also provide for better ambulance service in that proper vehicles would be used. I am not sure how many members are aware of the situation but in some remote rural areas ambulance services are actually provided by jeeps or trucks or station wagons with a blanket and stretcher in them.

Some ambulance operators carry no emergency equipment at all. I believe most medical people feel that all ambulances should carry emergency equipment such as oxygen, first aid equipment and what is called suction equipment. It is also generally agreed that the people who operate ambulances should be trained in rudimentary first aid. Not very long ago in a riding close to mine a person was brought to a hospital who almost died on the trip there as a result of her injury. The fact is that her injury only amounted to a cut on her head from which she almost bled to death. The bleeding could have been stopped very easily and simply by the application of the most rudimentary first aid.

It is often said, Mr. Speaker, that "accident" is only a word until you have one. When and if you do have one, Mr. Speaker, this motion would see to it that you would be well looked after and it would help to provide the best of care for the people of Canada.

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

Mr. Stanley Haidasz (Parkdale): Mr. Speaker, I welcome the opportunity to make some remarks on the motion proposed by the hon. member for Halton (Mr. Harley). The motion before the house is one relating to emergency ambulance services, and I think it should be distinguished from ambulance services merely for the transportation of a non-emergency patient from his home to the hospital or from one hospital to another. I think the definition of the word "emergency" given by the hon. member for Halton is rather imprecise. We have to be more precise in defining these words "emergency ambulance services".

After reading some material available on this subject, Mr. Speaker, the general view is that provincial legislation is required to set minimum standards for the training of the attendants of these ambulances and for the type of equipment necessary to handle traffic casualty cases and medical emergencies. There also has to be control, especially, of communications because many problems have arisen as a result of lack of communication between police centres and ambulance centres and the emergency departments of our hospitals. Many times we have seen ambulances bring traffic casualty cases or sick persons to a hospital and the hospital has had to deny the patient admission because of

lack of space or lack of the necessary equipment to deal with the particular case. We have found the ambulance had already left and we had to phone for another ambulance to take this patient to another hospital.

In Alberta legislation covering ambulance services has been provided through the department of highways. In Saskatchewan legislation covering ambulance services is provided under the public health act. In several municipalities civic legislation has been passed to deal with this problem. Some critics say that a firm, clear provincial policy regarding the financing of ambulance service is long overdue, and that this is really the main problem. The previous speaker stated that today many ambulance services are provided by funeral directors and so they are provided at the expense of the dead.

I am sure however that the members of this house are in agreement there should be a very profound study conducted of this whole field of ambulance services. These services provide not only transportation for the patient but also, in many cases, treatment. The hon. member for Halton (Mr. Harley) stated I believe that many people could die of haemorrhage or other medical complications while being transported from the scene of an accident or from a home to a hospital.

In discussing the financial implications of providing emergency ambulance service, we should review the principles of hospital insurance based on the traditional patterns in force at that time and which are still in force, when the present hospital insurance program was first being planned. Subsequent discussion with interested bodies involved in the provision of hospital services revealed that it was accepted as a basic principle of the Canadian scheme that the new legislation entitled the Hospital Insurance and Diagnostic Services Act would have regard to the traditional patterns of providing hospital services, and the traditional patterns in relation to each of those services across this country. Thus the present plan, while financed from premiums of the public which have been supplemented by the federal-provincial governments, has respected the autonomy of the hospital.

This perhaps is not unrelated to the question of ambulance services. However, the traditional Canadian pattern of providing these services has been based primarily on private or public ownership, but not by hospitals. In a survey carried out in Ontario a few years ago, it was ascertained that 90 per cent of the ambulance services provided in that province were privately owned, and to some extent were carried out as sidelines

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to a principal business. The number of ambulance services owned and operated by hospitals in Canada is minimal.

Our federal-provincial hospital insurance program was designed to cover those services which by custom and by tradition comprised services normally associated with hospitals. Those do not include ambulance services. The pattern of separating ambulance services from hospital services is not an exclusive feature of the federal hospital plan. This non-ambulance feature was also followed by its predecessor in the provincial hospital programs of Saskatchewan, Alberta and British Columbia. The separation of the two services is due to the fact that while part of the duties of ambulance service have some relationship to hospital services, those are only a very small part of the over-all services. It has been regarded that ambulance services are closely related to other public services in a community, for example firefighting services and their ambulances, and police services, especially regarding highway traffic cases.

It has been suggested that ambulance services should be the subject of special legislation at the municipal or provincial level, containing provisions covering the licensing of the ambulance firm, the staff of the ambulance, the equipping of the ambulance, and communication facilities. None of these provisions would be in any way related to hospitals, but these services should operate under the direction or the supervision of the medical association. Under hospital insurance, costs which are included as shareable operating costs are those which form the normal part of the operating budgets of hospitals. Since ambulance services were usually not within the normal budgets of hospitals, those costs were excluded from those considered shareable.

In addition to the problem of costs, there are other problems associated with ambulance services and these mitigate against their inclusion in a hospital insurance program. These problems relate to the necessary controls which are essential in administering a program supported by public funds. I would suggest that these controls relate both to the utilization and also the quality of the ambulance service. With regard to the utilization of ambulance service, if associated with hospital insurance it would be necessary to define what distances and in what circumstances and under whose endorsement public funds could be used. In the absence of precise and enforceable regulations, the costs of hospital insurance for services not necessarily related to hospital care, which is the criterion for the receipt of insured services, would

impose on hospital costs an element very difficult, if not impossible for the hospitals to control.

Second, the control of quality or the basic standards for ambulances is also a problem which has been recognized but which I think comes within the purview, of municipal and provincial governments. In Ontario, the provincial attorney general has recognized this need of raising standards and has recently given consideration to the demands of the Ontario ambulance operators association and the Ontario medical association. He stated that a profound study should be carried out to improve ambulance services in Ontario, and that this study is entirely separate from anything related to hospital insurance.

There is no doubt that ambulance services are urgently in need of improvement, including a satisfactory solution of the problem of paying for the ambulance services rendered, but this need should not be confused with the availability of funds for the program of hospital insurance. The royal commission on health services has been studying Canada's health service needs on a broad basis, and I expect its report will deal with the question of ambulance services. Meanwhile this problem should be reviewed on the local level as an essential need in the public service area.

There have been a few regional and two national studies of the ambulance services conducted in Canada. In 1955 there was the Montreal conference which studied the medical aspects of traffic accidents. In 1960 there was the Cornwall area traffic casualty study. In 1963 there was the brief of the Ontario ambulance operators association, and also in that year the communication services study in initial care and transportation in medical emergencies, conducted by the National Academy of Sciences. However, these studies have been rather limited in scope and did not result in significant action.

It is essential that more information be published on ambulance services, and these should be investigated in detail by the medical profession of Canada prior to recommending the courses open to governmental authorities in providing both improved and financially feasible ambulance services for Canadians. Among the things that should be studied are the ambulance services provided by the federal government.

As you know, Mr. Speaker, there are many federal departments which provide ambulance services. They include the Department of National Defence, the Department of Veterans Affairs which transports its patients from their homes to the veterans hospitals, the Department of National Health and Welfare which provides ambulance services in remote areas, and the Department of Transport. As I stated previously, municipal governments in many cases provide ambulance services through their fire, police and public health departments.

Very few of the hospitals in Canada provide ambulance services. These ambulance services for emergency cases are very popular in many city hospitals in large United States metropolitan centres like New York city and Los Angeles. Such ambulances are provided by the emergency department of a hospital and are staffed by junior interns on duty in the hospital's emergency department.

With regard to the financial arrangements of paying for ambulance services, I must say that the fees are rather high. In the city of Toronto where I practised medicine for several years, the fee was $15 for a one-way trip from the home to the hospital or from the hospital to another hospital, no matter what the distance was within the city limits. At present in Toronto there are nine municipal public health ambulances and 29 ambulances provided by private concerns. Although the availability of ambulances is satisfactory, following the study and recommendations made by the Toronto city council's department of health, it has been shown that there is however a crying need for provincial legislation to provide better equipment for ambulances.

It is said that these days $12,000 is required for a properly equipped ambulance. As stated by the hon. member for Halton, only 8 per cent of the ambulances in Ontario are equipped with oxygen service. So far as I am concerned every ambulance should be equipped with oxygen service and personnel who know how to use oxygen equipment. It may be necessary for people who are severely breathless or who are in shock from acute coronary thrombosis.

Although as I have said, the ambulance services in Toronto are adequate, they are too expensive. A fee of $15 is a lot of money for a person to pay to be transported from his home to a hospital. I sympathize with the view expressed by the hon. member for Halton that some provision should be made to make it financially easy on patients to get ambulance services. However, in view of the fact that his motion states that this should be paid for through the Hospital Insurance and Diagnostic Services Act I must say, apart from the point which I stressed before, that it was not the traditional pattern for hospitals to provide ambulance services. This whole area of hospital insurance will, we hear, be studied at the forthcoming federal-provincial conference in Quebec city.

Apparently many provinces wish to opt out of the shared programs, and the Hospital Insurance and Diagnostic Services Act is one

of these shared programs. Therefore it is expected that this problem of emergency ambulance services will come solely under the jurisdiction of the provinces, and they will have to deal both with legislation controlling the quality of ambulances as well as paying for the costs.

[*Translation*]

Mr. Real Caouette (Villeneuve): Mr. Speaker, I feel that this notice of motion, to the effect that the government should consider the advisability of amending the Hospital Insurance and Diagnostic Services Act, in order to provide, with the provinces, for the payment of emergency ambulance services, represents a new invasion in fields reserved exclusively to the provinces.

Such a legislative measure would impose new taxes on us, at both levels, federal and provincial.

It would create a double bureaucracy, an administration in Ottawa and an administration in Quebec or in any other province.

If the government, through this joint program, wants to give financial help to the provinces for the setting up of such a system, which is the responsibility of the municipalities and provinces concerned, and not of the federal government, it need not invent a new plan, or devise a new tax; all it has to do is to give financial help to the provinces to enable them to manage themselves as far as hospital insurance and all such details including emergency ambulance service, are concerned.

I do not believe at all that such a notice of motion is likely to facilitate the decentralization which everybody agrees should be implemented more and more in this country. Instead, we should introduce notices of motion which would definitely help the provinces.

Then, we could talk of respect for provincial autonomy, of federal decentralization, which becomes more and more urgent. We see in all these notices of motion a new invasion in fields coming under provincial jurisdiction.

As far as we are concerned, we object to the adoption of such a motion because we think it would be a duplication of jurisdiction which would impose new taxes.

Clearly, the Canadian people cannot pay any more than it does at the present time.

If, as I said a while ago, the federal government wants to be useful, I suggest it should supply the funds required by the provinces, while giving them full discretion to administer themselves with their own structures.

The federal government does not know where to get the necessary funds or credits to assist the provinces in the administration of such a deal. There is only one way out, the government must turn to the Bank of Canada, where it will find the credits required for the expansion and the administration of the provinces, municipalities and well organized public bodies, including the federal government.

Then, there would be no intrusion by the federal government into fields reserved to provinces, or in the administration of municipalities. Rather, there would be understanding, and I think the federal government would be giving assistance to the provinces. That way, the federal government would be carrying out the function for which it exists.

The federal government does not exist to penalize the provinces or take decisions for them, but to encourage their development in their own and respective fields.

The passing of such a motion, as such a piece of legislation would be neither more nor less than an additional infringement on that freedom which definitely belongs to the provinces.

I shall not labour that point any longer, because some other hon. members have indicated their desire to make themselves heard. I see that even Liberals are anxious to reach six o'clock so that the motion will not be passed. I leave it to them to talk out that motion.

[*Text*]

Mr. Ralph Cowan (York-Humber): Two of the three previous speakers are members of the medical profession and you, Mr. Speaker, may have noticed the divergency of opinion which exists even in the medical profession on the question raised by this notice of motion.

I am not a member of the medical profession but I claim some knowledge of the ambulance situation as it exists in Canada today, and I wish to rise in protest against the implications of the motion before us. I note that the previous speaker, the hon. member for Villeneuve (Mr. Caouette) commented on the fact that even members of the Liberal party appear anxious to have this particular motion talked out. I would not use that phrase myself, but I would advise the hon. member for Villeneuve that I am against the motion for reasons which I shall advance and which I hold to be good ones.

I do not like to talk about myself. On the other hand, one does get first hand knowledge from personal experience, and I must say that there is one word in this motion which causes me a great deal of difficulty, and that is the word "emergency". The motion reads:

> That, in the opinion of this house, the government should give consideration to the advisability of amending the Hospital Insurance and Diagnostic

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Services Act to provide for payment, in agreement with the provinces, for emergency ambulance services.

I have to ask: What is an emergency? I happen in private life to be connected with a hospital which maintains more than 240 beds, that is to say it is a fair sized institution. I only wish that we received 100 per cent co-operation from each and every member of the medical staff of that institution. There are more than 100 doctors on the staff and it is interesting to see what a few of them will resort to in order to put patients of their own into hospital. I know that the experiences I shall recite are not isolated cases but that they can be duplicated throughout Canada from coast to coast, day after day. We operate an emergency department—a division which not all hospitals possess—and doctors will call up with a paying patient who is really anxious to get to hospital. After all, the patient is paying his premiums under the Ontario hospital services act and feels he is entitled to a bed when he requires it. But there is no bed available in the hospital with which the doctor is connected. However, the doctor knows that emergency cases are admitted to hospital for immediate treatment, and if there is no bed available an emergency case will be taken in and put on a wheeled apparatus known as an emergency bed; it is not a full width bed but people connected with hospitals know what I mean when I talk about these emergency beds in which emergency cases are placed.

So a doctor calls up to see if he can get a patient admitted to hospital and he is advised that there are no beds available; the patient will have to wait for two days, or two weeks, or a month, perhaps. The patient is still screaming that he requires attention. The doctor tells the patient: If you have a relative who will call an ambulance and get you taken to the hospital in an ambulance and ask that you be treated in the emergency division, you are in. So, if a doctor has an elective case on his hands, medical or surgical, all he has to do is to advise the relatives to engage an ambulance and send it to the emergency division of the hospital he designates, and the patient is admitted. Is that an emergency case or not? It may be that there has been premeditation, possibly for hours, maybe for a day or two.

What is an emergency? I witnessed one case in the last 12 weeks which may interest hon. members. A man collapsed in a church I was attending. He was at the back of the building and the thud with which he fell attracted the attention of a doctor in the congregation. The doctor immediately went to the man's assistance. The patient was lying prone on the floor, and was carried upon a stretcher into the vestry. He was in poor condition and the doctor himself telephoned for an ambulance to take him to hospital. The ambulance arrived in about 15 minutes and took this chap to the hospital where he was placed in the emergency ward, because there were no other beds available. I personally visited this man who had collapsed in church. I asked the doctors who were attending him about his condition and they told me the patient was in a highly nervous state; the man was in a state of shock rather than anything else. Nevertheless the doctor who had attended the man in the church had called for an ambulance when this man was lying prone on the floor. The doctors at the hospital said it was a case of high nervous tension. Was that an emergency case? I asked the ambulance operator whether or not he was being paid for this service and he advised me that when he spoke to the man in this case he was told he had no money, and since he had not called for the ambulance he did not intend to pay. This was quite all right with the hospital. When I spoke to the doctor who had called for the ambulance, he pointed out that many ambulance calls are never paid for and he regretted that he had been the one who had called the ambulance. The house might be interested to know that the only cheque I ever received from the Canadian Broadcasting Corporation—and that was for $25, less income tax of $1.25—reached me a week after this ambulance case, and I paid for the ambulance call myself because the ambulance operator stated he would not be paid for it; he could tell from the shape of things as they were.

There are two questions that arise here. Was the man an emergency case? I say he was not. The doctor who called him in the first instance thought he was. The doctors who treated the patient at the hospital said he was not, and no one was going to pay for the service until a volunteer came along. You cannot make a proper distinction of what is an emergency service compared with one that is non-emergency or elective.

I have the honour and pleasure to represent the riding of York-Humber, and the hon. member for York South (Mr. Gelber) and I share a municipality with a population of 130,000. The township of York is about equally divided between York South and York-Humber. Some years ago when a hospital was first constructed in the township of York, the York Lions club, who met at the Oakwood hotel, conceived the very, very charitable idea of providing an ambulance for the conveyance of injured and sick persons to the hospital. They took the idea of providing an ambulance from the East York Lions club, which is in the riding of the hon. member for York East (Mr. Otto), and they raised the money, about $7,000, and gave a

brand new ambulance to the police department of York township. This was before the metropolitan Toronto amalgamation came into effect. The police department of York township—which co-operates in every way with the Northwestern hospital—agreed to operate this small ambulance as a police cruiser. It had an extension inside, on which an injured person could be laid as on a bed; the rear opened up, as ambulance doors do, and many cases were transported to hospital in this combined police cruiser and ambulance donated by the York Lions club. But when metropolitan Toronto amalgamation came into effect the police departments were amalgamated early and the new police commissioners for metropolitan Toronto stated that ambulance service was not one of the functions of a police department. They said, "We cannot have these policemen running around and going off to hospital with sick and injured people. There might be a bank robbery and, heaven knows it is better to protect money than take an injured man to hospital, so they will have to stop operating an ambulance service in the police department".

Faced with the position of having a fully paid for ambulance that the police commissioners said could not be operated by the police department, the good people of York township decided to approach the fire department. We now have in the township of York a small ambulance which looks somewhat like a district fire chief's car, but it is a combination ambulance and district fire chief's car and it gives very, very fine service to the people of York who are transferred to the hospital. The point I would like to emphasize in this connection is that of manpower. In trying to keep this ambulance, which had been donated in the first place by the York Lions club, available 24 hours a day it was necessary to contact men who would be able to answer emergency calls at any hour of the day or night. That is why the police were first contacted, and then we went to the fire department. It is now operated by the fire department of York. The mover of this motion wants the act amended so that ambulance services will be paid for by the province and the dominion; but one of the great costs here is that of providing service 24 hours a day, seven days a week.

I am quite surprised that the member for Halton has brought this motion forward at this time, just when the dominion-provincial conference is going to be renewed at Quebec city. We are told that there are two items of great interest on the agenda. The first has to do with the Canada pension plan and the second has to do with shared costs of services rendered by the federal government and the provinces. To carry a motion such as this at this time would simply be adding extra expense to these shared costs, and anyone who is in touch with current thinking in this country of ours knows that there are at least ten provinces out of ten seeking to get more control of the shared costs which they now enjoy with federal participation.

I do not think the federal government should approach the provinces at all with regard to increasing the expense under the hospital insurance acts of the provinces or under the Hospital Insurance and Diagnostic Insurance Act. Many of the hospitals in the Dominion of Canada do not conduct emergency departments of their own, and if there is an accident on the street, to what hospital are you going to send the case even if you have an ambulance at your beck and call? It is quite possible to send an emergency case to a hospital that refuses to take it in. I know hospitals in the city of Toronto that will not accept an emergency case because they are not staffed to handle emergencies 24 hours a day. If ambulance service were paid for under the insurance plans of the provinces and the Dominion of Canada, we would be receiving calls for emergency ambulance service at all hours of the day and night, with the patient directing the ambulance as to what hospital he was to be taken, whether or not that hospital had emergency service.

The problems that arise in connection with conducting an ambulance service are insoluble when you consider that not every doctor is allowed to practise in every hospital. If a doctor has privileges in one hospital, it is seldom that he has privileges in another. A man who considered himself an emergency case, called for an ambulance and demanded to be taken to a certain hospital, might be designating a hospital in which his own doctor did not have privileges, and he would be separated from the service of his doctor, whom he has possibly been visiting for 20 or 30 years.

I cannot see how the people of Canada can be expected to pay for emergency ambulance service without everyone demanding an ambulance ride to the hospital. Then how long would it be before they would be demanding an ambulance ride home from the hospital? I have enough contacts with the relatives of patients to be able to tell the house that if there was available free ambulance service under any insurance scheme, the relatives of patients would point out that we should send their father, their husband, their wife, their daughter, their nephew or their niece home in an ambulance because the taxi ride would be far too rough; and if they were taken home in their own, broken down car they would not know whether the car would make it

home. These people would say that the mother should be sent home in the ambulance. Therefore this service would not only be to the hospital but would also be from the hospital.

One of the main reasons for the shortage of hospital beds throughout the Dominion of Canada today is the fact that we have prepaid hospital insurance. People who never went to hospital before, in the voluntary pay days, are now covered by hospital insurance through the province or the dominion and are demanding hospital service when they have the slightest cold, the slightest itch or the slightest ache. Not only do they find doctors who will put them into hospitals, but they stay there for days and days unnecessarily. We have found that people who have prepaid hospital coverage squeeze it to the last possible drop, which creates a bed shortage in hospitals throughout the Dominion of Canada.

I can assure hon. members that if we had free ambulance service to hospitals, because every patient would be demanding ambulance service to hospital we would not have enough room on the highways for the ambulances that would be required to transport these patients to hospital and, in short order, to transport them home again.

I think this resolution would be incapable of fulfilment if it were passed. I agree with the hon. member for Villeneuve (Mr. Caouette) and also the hon. member for Parkdale (Mr. Haidasz), who pointed out that this was an intrusion on provincial rights. I think the federal government should stay well out of this scheme as it has been advanced to us. We are told that funeral directors who operate ambulance services are going bankrupt, as well as people who operate private ambulance services. There are times when I think that that is the only reason that could be advanced for asking the federal government to step into the field; and I make the statement that if people will not pay for ambulance service when it is conducted by funeral directors or by ambulance service people when it is conducted by private entrepreneurs, there is no reason under the sun why they will be willing to pay for ambulance service through taxation under a federal-provincial scheme.

We have heard doctors point out that every ambulance should be equipped with oxygen and suction pumps. As a hospital trustee I have been quite interested in the number of times a hospital is criticized because it does not supply an intern to ride with every hospital ambulance which goes out on a call. Some people maintain that no ambulance should answer a call unless it carries a doctor to look after the patient on the way to the hospital. Pretty soon ambulances will be running on as costly a basis hour by hour as the hospitals, and heaven knows the cost of that is breaking the back of the average Canadian taxpayer.

I am entirely opposed to this notice of motion and I sincerely ask the house to give it short shrift.

Mr. Lloyd Francis (Carleton): Mr. Speaker, we have heard many reasons advanced in support of the motion, although my colleague the hon. member for York-Humber (Mr. Cowan) is apparently opposed to it. I feel that the hon. member who introduced the motion has done a great service in calling attention to a serious national problem. In addition to its being a national problem it is also a problem which has to be developed very carefully in light of our present day constitutional arrangements. However, I feel that the argument of the hon. member for Villeneuve (Mr. Caouette), who suggested that this was a provincial responsibility and that the federal government should stay out of it, but that the federal government should go to the Bank of Canada and get enough money to pay for an ambulance service, is as unique as anything I have heard for some time.

Quite frankly, Mr. Speaker, I think this is a good motion. I think the intent of the mover of the motion to bring attention to the problem is an entirely worthy one. But as the hon. member for York-Humber pointed out, there will shortly be, in a matter of days, an important federal-provincial conference, and one of the items on the agenda of that conference is the future of the shared-cost programs. The principle of shared-cost programs is inherent in the motion itself, because it calls upon this house to—

—give consideration to the advisability of amending the Hospital Insurance and Diagnostic Services Act to provide for payment, in agreement with the provinces, for emergency ambulance services.

Not very long ago in this house during private members' hour I personally opposed the extension of the Hospital Insurance and Diagnostic Services Act to the field of tuberculosis hospitalization. The reason I opposed it is exactly the reason why I think this motion is a good one. It is because the whole role of federally granted aid funds should be in terms of encouragement of the development of services, to cover the gaps which currently exist and to encourage the development of standards in a co-operative arrangement, which means the signing of an agreement between the federal and provincial authorities which pays regard to variations from one province to another, from one circumstance to another, and from one coast to another in this great and diversified country which is Canada.

The principle of grants in aid was a device by which better standards were developed, by which we overcame deficiencies in our welfare and health services. When we talk about grants in aid of tuberculosis today we would not require another dollar for care. It would simply be a measure of fiscal relief to the provincial authorities, because there are now adequate beds to take care of those afflicted with this illness. Standards have been developed to attack this problem which have shown encouraging results.

I feel it is wrong for the federal authorities to move purely in the direction of fiscal relief. Fiscal relief is a matter for the Minister of Finance (Mr. Gordon) to discuss within the framework of federal grants to the provinces. But when we talk of development and extension of services—in this instance I think this principle is fundamental—it is surely an area for the use of the grant in aid device.

We have heard various hon. members describe the great gaps existing in the provision of ambulance service today. In some instances they are provided by funeral directors. I submit that the skill required for the normal exercise of the function of a funeral director is rather different in nature and quality from the skill one would expect from the operator of an emergency ambulance service. In other instances this service is provided by private firms, in some other cases by municipal sponsorships, and in other cases on an irregular basis by fire and police departments.

I was formerly, Mr. Speaker, a member of the council of the city of Ottawa and I was surprised at the degree to which some private operators, who really believed in the work they were doing, put up with inconvenience and serious personal financial loss to provide the standard of service which they felt was very much needed in their community. I had the opportunity of reviewing at one stage the financial statement of a private operator, and I was astonished at the cases in which it was simply impossible for this private operator to collect bills which he had rendered, for reasons such as those so eloquently described by previous speakers in the house.

I think it is quite clear that we cannot expect such a service to be provided, logically and completely, by private enterprise, which would meet the standards we require. When the United Kingdom, in a logical pattern following the second world war, set about providing a health plan with broad coverage, they did not decide that ambulance services should be part of hospital services. This became a local authority service and it was given a very different type of structure and made subject to controls. I do not share the concern of my colleague for York-Humber, much as I admire him in other respects, about the abuse of such a service. The British experience and the experience of many other parts of the world shows that it is possible to develop this kind of service in a logical pattern.

Mr. Peters: Question.

Mr. Francis: I think the use of the grant in aid device in Canada is an orderly and proper way to tackle this problem, and I hope that in the future when the Hospital Insurance and Diagnostic Services Act is considered, this whole question will be reviewed. We have had some indication of the extent to which mental illness can be considered.

Some hon. Members: Question.

Mr. Francis: I also hope consideration will be given to the provision of ambulance service. I think the mover of this motion is to be congratulated for bringing it before the house. Should no action be taken in a field in which there is an important provincial responsibility and nothing further is done, I think the matter should again be brought forward to the house. I would also congratulate the mover of the motion for bringing the matter to national attention. May I call it six o'clock?

Mr. Caouette: Well disposed of.

The Acting Speaker (Mr. Batten): Order. It being six o'clock the time allotted to private members' hour has expired. As the business at eight o'clock will be the consideration of supplementary estimates, will the house agree to go into committee of supply now?

Some hon. Members: Agreed.

SUPPLY

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

The Deputy Chairman: Order. House again in committee of supply. It being six o'clock I do now leave the chair.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

The Chairman: Order. House again in committee of supply, supplementary estimates (E) for the fiscal year ending March 31, 1964, vote 1e, Department of Agriculture.

Mr. Diefenbaker: Mr. Chairman, I was dealing with the general item and now I come

down to the particulars asked for with regard to the Department of Agriculture. I am dealing now with the bifurcation that took place in respect of which we have so far had little or no information. I should like to know what arrangements have been made in connection with this division of power. Who today administers the various sections that were removed from the Minister of Agriculture? Subsequently the order in council of the 3rd of February was repealed on the 20th of February, but as yet we have had no information as to what actually took place during those 17 days. In particular, we want to be furnished with a record of all the directives and orders made by the Minister of Agriculture between those two dates in connection with the branches which were transferred to the Minister of Forestry.

The law in this connection is set forth in the Public Service Rearrangement and Transfer of Duties Act, section 2 of which reads in part as follows:

> The governor in council may
>
> (a) transfer any powers, duties or functions or supervision of any part of the public service from one minister of the crown to any other minister of the crown, or from one department or portion of the public service to any other department or portion of the public service.

This transfer of powers is one of the most peculiar and unusual things that have taken place since I have been a member of the house. There have been transfers made before but never has there been such an element of mystery. One really does not know what went on. Never before was so much power bandied between so few to the detriment of the public service in general.

What we are trying to find out is who had the power. What happened? What were the circumstances under which this irresponsible game of transfer and retransfer took place? The committee will understand that there is a bit of mystery about this matter because the Minister of Forestry went to Vancouver and there he explained what had happened. We have not had that explanation here. He said, as reported in *Le Devoir* on March 25:

> The department of forestry and rural development which the federal government is going to set up will be independent of the Department of Agriculture, Hon. Maurice Sauve, Minister of Forestry in the Pearson government said yesterday. The minister stated, "a brand new, autonomous department, with one or two deputy ministers, one for forests, the other for rural development" will be established.

I would ask this question. Is it a fact that as a result of the uncertainty in these two departments employees did not receive their pay in the regular way as they should have? I refer to the employees of the animal diseases research institute of the animal pathology division located on Gamelin boulevard in Hull. Did they have to wait five weeks for their pay cheques and, if so, why? Was it because no one knew whether this matter came under the department of forestry and rural development, the latter part as yet unconstituted, or under the Department of Agriculture?

It is this information for which we ask, and naturally as soon as the information is received we will be able to go on to another department. There are some very important questions to be answered by the minister but the general questions that have been asked are still up in the air. So far all we have seen is fumbling attempts to field the questions on this problem. We have seen the shifting of powers over a period of days of indecision during which one minister or the other must have been in doubt as to which was in fact to discharge certain functions. It was a case of off again, on again. Taking the most charitable view that one can of this series of episodes, that view is that this is just another case of crossed wires in the cabinet, of faltering leadership, of disregard for proper, effective and decisive procedure.

It is these things we are anxious to find out about. This group of supplementary estimates involves a tremendous amount of money, a quarter of a billion dollars, and in addition we have this clumsy, ineffective and doubtful transfer of powers which after three weeks ended up leaving everybody where they were and with no one knowing who exercised the authority that had to be exercised during the period of uncertainty.

There are other matters I shall deal with later. The other day the minister made some references to the way things were going in agriculture. He also referred to the cattle situation. I feel he should give us information as to the prices of cattle in 1961, 1962, 1963 and during the first months of 1964 up to the present. It would also be very helpful if we had—he has all this information at his fingertips—information as to the number of cattle exported to the United States in 1961, 1962, 1963 and 1964 to date.

I am sure the minister is desirous of cooperating in every way and wishes to give the committee the benefit of his knowledge. If he will just answer these questions rather than rising and bumbling away on something we have not asked him about we will make progress. We have a great many important items to deal with which will require examination. There is one particularly large item about which I know he will want to give us the fullest information. Therefore, without further delay I leave the matter with him, knowing he will bring together in his own inimitable manner these threads of uncertainty, these threads of authority, some of

which have disappeared, others of which have been broken and some of which have been reassembled, so that order will be brought out of the chaos of two departments.

Mr. Knowles: Mr. Chairman, with some of the things the Leader of the Opposition said both prior to five o'clock and since eight o'clock, we agree. We have already made it clear that we feel we are in the squeeze, to quote one of the Ottawa newspapers today, that we are now in because of the introduction of four days of the budget debate into a schedule that was already crowded. We think there are other examples of the mismanagement of the business of the house by the government, but they can be dealt with at some other time. We agree also that when supplementary estimates are before us they should be examined carefully. They should be scrutinized. We think this job should be done decently and properly. We should take whatever time is necessary, although we should not waste time.

However, Mr. Chairman, the right hon. gentleman who leads the opposition in this house indulged in a display this afternoon that I cannot let pass without putting the record straight. I wondered for a time during the supper hour whether or not I would let it pass, but an editorial which I read during the supper hour in the Ottawa *Journal* made it clear this was something concerning which the record must be put straight. When he was speaking prior to five o'clock, the Leader of the Opposition stated categorically that the Minister of Justice tried to force this house to sit on Good Friday. Later, the Leader of the Opposition put on the record most of what was said at six o'clock on Thursday. If anyone reads carefully what was said at that time, it will be very clear that the Minister of Justice, far from trying to force this house to sit on Good Friday, was doing his best to help the house avoid sitting on Good Friday. I think the Minister of Justice still has a few things to learn as house leader. I think he has made a few mistakes, and he probably would admit that himself. But, Mr. Chairman, as a member of this house, and as one who is in a position to know what went on, I refuse to let the Minister of Justice be blamed falsely, as he was this afternoon by the Leader of the Opposition.

Everyone in this house knows that there is a group of people known as house leaders. They consist of the Minister of Justice for the Liberals; the hon. member for Winnipeg South Centre for the Progressive Conservatives; the member for Winnipeg North Centre for the New Democratic party; the hon. member for Fraser Valley for the Social Credit party, and the hon. member for Lapointe for the Rallie-ment Creditistes. We meet from time to time to try and arrange the business of the house. Sometimes we succeed, and sometimes we do not. Last Tuesday, March 24, at six o'clock, a meeting of these five house leaders was held in the office of the Minister of Justice, which is on this floor just out in front of this chamber. At that meeting which took place shortly after six o'clock the Minister of Justice, as house leader for the government, informed us he had filed a notice of motion with the proper authorities so that it would appear on the order paper. He told us that the wording of the notice of motion was to the effect that when the house adjourned last Thursday it would stand adjourned until this Monday. I wish to make it quite clear that we were told that notice of motion had been filed. The member for Winnipeg South Centre objected. I am putting it mildly, but I am sure he will not quarrel with that statement. He objected to that motion.

Mr. Churchill: Will the hon. member permit a question?

Mr. Knowles: Certainly.

Mr. Churchill: Now that the hon. member is disclosing what happened in what have always been considered to be confidential meetings, I suppose he will not object if I subsequently disclose some of the troubles he has at these meetings?

Mr. Knowles: Not at all; I might even disclose some of them myself.

Mr. MacInnis: May I raise a point of order?

Some hon. Members: Go ahead.

Mr. MacInnis: My point of order is this, Mr. Chairman: This afternoon hon. members belonging to the party of the hon. member who is now speaking made a great hue and cry about the rules of order. They continually raised the points of order because no one was adhering to the item with which we were dealing.

Now, we have an example of hon. members, when they think things are going their own way, members of the Liberal party and the other group, being quite satisfied to sit quietly while the hon. member for Winnipeg North Centre breaks the rule about which the members of the Liberal party and the New Democratic party squawked so much this afternoon.

Mr. Lloyd: May I speak on the point of order? May I observe that the buttons were taken off the foils by the Leader of the Opposition I think just before five o'clock.

Mr. Knowles: I suggest this matter was raised this afternoon and it is appropriate

for me to clear it up. If it were necessary, I could raise it as a point of privilege because I, personally, am involved in the charges that were made this afternoon by the Leader of the Opposition.

I was pointing out we were informed at six o'clock last Tuesday that the motion to which I have already referred had been filed for the order paper. This was objected to by the hon. member for Winnipeg South Centre. I did not share the reasons for his objections, but I joined with him in objecting. I suggested that it might be better if this motion were withdrawn rather than let it appear to be giving the house a threat. The Minister of Justice said, "What do we do about Good Friday; I want to be sure we do not sit on Good Friday." We all said, the representatives of all parties, "We can handle that by making sure that you will have unanimous consent not to sit on Good Friday. It is not necessary," we said to the Minister of Justice, "to have that kind of motion since it is going to seem to be a threat to some of the members of the house. If you withdraw the motion, we will undertake that you will have the unanimous consent that will be necessary so that the house will not have to sit on Good Friday."

The Minister of Justice, at that meeting at supper time last Tuesday, told us he would give consideration to our request and that he would carry on any consultations with his colleagues which might be necessary. We were invited to meet in his office at ten o'clock that same night. We went to his office at ten o'clock that night. To keep the record perfectly straight, I was a minute or two late getting there. As I got there, the meeting was breaking up. I had thought it might last an hour, but I was told the minister had informed us he had withdrawn the motion, so any need for a further meeting that night was avoided.

There is the story, Mr. Chairman; the motion to adjourn the house from Thursday night to Monday was withdrawn. The motion the Ottawa *Journal* said the government should have introduced was filed, but it was withdrawn at the request of representatives of the opposition, led in fact by the hon. member for Winnipeg South Centre; and I suggest in the light of that it is crystal clear—certainly it is clear beyond peradventure of doubt to me—that the Minister of Justice is the last man in the house to be accused of trying to force the house to sit on Good Friday.

We met several times after those meetings of last Tuesday, and on almost every occasion the question came up, what about Good Friday? I admit the hon. member for Winnipeg South Centre said I might have some difficulty. In fact I admitted at the meeting that I might have difficulty with one or two of my members who might not want to give unanimous consent but I stated I would do my best, that I would take the matter up in our party caucus, and I later reported we had unanimous agreement in our caucus not to object to any motion necessary to avoid sitting on Good Friday. As late as the last meeting we had on Thursday I was able to say there would be no difficulty so far as we of the New Democratic party were concerned.

Certainly at those meetings of house leaders we had a number of disagreements about house business, but on this point there was no disagreement whatever. A sitting on Good Friday was to be avoided, and it was to be avoided by all parties undertaking that there would be unanimous consent to any motion necessary not to sit on Good Friday. Therefore, Mr. Chairman, last Thursday evening when I heard the Leader of the Opposition twisting the words of the Minister of Justice into a suggestion that we sit on Good Friday I could hardly believe my ears. I wondered if the hon. member for Winnipeg South Centre had not been reporting to his leader what had taken place. Then a little later, as if my ears were not already hearing enough that I could not believe, the hon. member for Winnipeg South Centre himself said, "Now the present group are asking us to sit on Good Friday." I repeat that this came from the hon. member for Winnipeg South Centre who was at the meeting of house leaders, who protested against this motion and at whose request the motion was withdrawn. So, in the light of that, to upbraid and criticize the Minister of Justice, as the Leader of the Opposition did this afternoon, is to accuse him of something which is the very opposite of what he tried to do for three or four days on end, and is a performance not worthy of the right hon. gentleman who was formerly prime minister of this country and who is now leader of the official opposition.

Now, I repeat, we have our difficulties. We had our difficulties about what we were to do before we adjourned, but there was no doubt in my mind about what the government was asking for—that the government was asking for both interim supply and supplementary estimates. The hon. Member for Winnipeg South Centre would not accept this; he would not agree, but there was no doubt what the government wanted.

We had various other disagreements, and I still hold to the view that the government made a serious mistake when in the first place it brought down the budget. I think it has made a number of mistakes. In fact I am

keeping a list of them and some time when I have 40 minutes to speak I am going to read out its mistakes; but on this one issue of who was responsible for the house sitting on Good Friday the record itself is clear, and certainly the one person to whom no blame attaches for that sitting is the Minister of Justice. Nobody did more than he to try to avoid it, and I think the Leader of the Opposition, the Ottawa *Journal* and any others accusing him of this, owe him an apology.

Mr. Churchill: I am sure, Mr. Chairman, you will give me an opportunity to reply to the hon. member for Winnipeg North Centre to correct some of his erroneous statements. I first take objection to the disclosure publicly—

Mr. Knowles: Of the truth.

Mr. Churchill: The hon. member has objected to the disclosure of the truth. I will show the falsity of his statements, but I object to the disclosure publicly of confidential meetings, and the meetings of the house leaders are confidential. Here we have an hon. member who purports to be familiar with the procedure and the routine of this House of Commons, who has been a member of house leaders' committees on more than one occasion, now disclosing a meeting which was confidential, a meeting at which no minutes were taken.

He gives his recollection of a meeting of last Thursday, and his recollection is faulty. This is one way to destroy forever the work which normally goes on in a house of commons behind the curtains, behind the Speaker's chair, as it is called, where people representing the various parties try to come to agreement, and 90 per cent of the time a great deal of the work is put forward and moved along because of confidential meetings and various arrangements that leaders of the various groups make behind the Speaker's chair. But now the hon. member for Winnipeg North Centre has destroyed the value of those meetings.

Some hon. Members: Oh, oh.

Mr. Churchill: Well, I just ask you what happens at the next meeting if a person's opinion is asked and he gives it frankly, though it may not correspond to the opinion of the hon. member for Winnipeg North Centre. He will disclose this to the public and he will say, "Well the person who caused all this trouble was the hon. member for Winnipeg South Centre". And in my turn, what happens when I come here publicly and say the hon. member for Winnipeg North Centre would not agree because he could not get agreement from two members in his party, the hon. member for Skeena and the hon. member for Timmins?

If this is not well known let it be well known now. This is what he has said on many occasions in these confidential meetings.

Mr. Martin (Timmins): On a point of order, Mr. Chairman, I wonder if the hon. member for Winnipeg South Centre has his members straight?

Mr. Churchill: Oh, I beg your pardon. I apologize to the hon. member for Timmins. It is the hon. member for Skeena and the hon. member for Timiskaming; those are the two who prevented the passage of business through this house on so many occasions, as one of them did on Thursday night, calling it six o'clock when the house was consulting openly trying to get a solution to the problem. He called it six o'clock and the Speaker had no option but to adjourn the house.

Mr. Peters: And prevent bloodshed.

Mr. Churchill: I will deal with the statement of the hon. member for Winnipeg North Centre who purported to say, and did say, that at the confidential meeting on Tuesday the house leaders all agreed that the Minister of Justice would have unanimous consent for the house not to sit on Good Friday. That is not my recollection of the meeting at all; and the hon. member says subsequently he consulted with his colleagues and reported back unanimous consent would not be refused. I was not asked to do this or to report back.

There was none of this at all. There was a general expression of opinion that it would be unlikely anybody would refuse assent not to sit on Friday, but there was no agreement made, and time and time again the hon. member for Winnipeg North Centre said, "Well, I cannot commit all my party. You know I have two chaps there who are a little difficult, so I will have to consult, or perhaps if they are out of the house when the time comes we can get the thing through without their knowing anything about it." I declare as false the statement of the hon. member for Winnipeg North Centre that there was an agreement that no one would object to unanimous consent being given with regard to Good Friday.

Mr. Knowles: There was, if the word agreement means anything.

Mr. Churchill: He mentioned the fact that the government house leader in the meeting on Tuesday advised us that he was putting on the order paper a motion that the house should stand adjourned from Thursday until Monday the 30th. Then the hon. member for Winnipeg North Centre said that at my

request this motion was withdrawn. I made no request at all. I said to the government house leader: You do that and you are in for trouble; you are breaking the word of the Prime Minister of this country—and this had been done. The Prime Minister had announced the term of the Easter recess, and I said: You are holding a gun at the head of the opposition and if you put that motion on the order paper there will be considerable debate, and if you compel us to come back, as apparently you intend, on Monday, I doubt very much if the house will make much progress. There was no request.

We are quite prepared for anything. Let the government lay out its business. We are equal to it. But the house leader took cognizance of the statement I made and, having, apparently, consulted with his colleagues, he finally reported back that the motion had been withdrawn. Then he was unable, in the course of the ensuing days, to arrange things with his side of the house in order that the work might be done in a suitable manner. I warned him on at least three occasions that it would be almost impossible to get supplementary estimates through the house in the time he had suggested. In fact he asked us if we would put through the supplementary estimates and interim supply on Friday, March 13. I told him that this would be altogether impossible. I said: Look back at some of the debates in the past and you will find that the Liberal opposition took anywhere from six to eight days on some occasions to pass interim supply, and that on supplementary estimates the Liberal opposition took, on one occasion, 12 days to pass a series of them. That was in the early part of 1962; and in the middle of April of 1962 the Liberal opposition took seven days on supply and two days on an appropriation bill.

So I said: You are asking us to pass in one day both supplementary estimates and interim supply, which is just impossible. I do not know how many warnings a person needs. I told the leader of the house that it was simply ridiculous to attempt to have the budget debate completed in its entirety before the recess. But of course the hon. gentleman was under the gun from the Minister of Finance who was annoyed with last year's house leader for tripping him up in the budget debate by not having that debate running continuously. So there is a good deal of dissension on the other side of the house and the house leader was, apparently, unable to persuade the Minister of Finance to abandon his way of thinking. In consequence we had four days of the budget debate before the time for recess, days in which we could have been dealing with the supplementary estimates if, in the opinion of the government, they should have been passed by March 31.

It has been normal to pass these estimates by March 31, but the Liberal opposition two years ago decided that this was not necessary. We did not force the issue. It has already been related that two years ago they took three days in March and another four in April, plus two days on the appropriation bill to get through final supplementary estimates. That experience obviously indicates that if supplementary estimates are not passed by March 31 the world does not come to an end; the position can be set right by the Appropriation Act.

The hon. member for Winnipeg North Centre who, I think, should immediately join the Liberal party instead of playing around at the game as he is doing—I now believe some of the stories in the press about the consultations going on between the Liberals and the N.D.P., because here you have the apologist for the Liberal party once again rising in this house to explain things away and help them out; I do not know what he is aiming at—

Mr. Knowles: One man against the truth.

Mr. Churchill: It may be he wants to become permanent Speaker. I do not know.

Mr. Douglas: That is about as cheap as you are.

Mr. Churchill: Now we are hearing from the toy soldier—the man who was telling us all about toy soldiering the other day in this house, and I said then, and repeat it now, that if he had smelled gunpowder he would not talk that way. But he bounces up and down like a little jack in the box and has nothing to contribute to the debate.

Well, the apologist for the government sitting with the New Democratic party has attempted to point out that no blame attaches to the leader of the house. Quite a bit of blame attaches to the leader of the house, in fact, and more blame attaches to the Minister of Transport. The Minister of Transport sat here on Thursday and allowed his colleague to be destroyed. The Minister of Transport was Acting Prime Minister. Fortunately we have the minister of external affairs back, a minister who is senior to him, and if the Prime Minister is away in the next day or two we shall have this experienced hand at the helm and he will keep things under control. But on Thursday, the Minister of Transport, the Acting Prime Minister, sacrificed the leader of the house, because all that the experienced Minister of Transport had to do, having had experience as house leader himself, having been here

for a number of years, having been in the cabinet before, having worked behind the scenes, knowing parliament as no one else knows it—all he had to do was to rise in his place on that occasion when the house was facing a crisis and say: The word of the Prime Minister of this country will be kept and the house will stand adjourned until April 6. But he did not do this. He sat silent and the poor house leader fumbled and bumbled his way through.

Let me draw attention to the fact that at five o'clock on March 26 when the house leader was dealing with the business of the house there was an exchange of opinion as to what we would do. The house leader wanted us to see how much we could get done between five and six, omitting private members' hour. In rather vague phrases he asked us to see how much we could get through. I asked him: What happens if we do not complete the business which the government has in mind? I said, as will be found reported on page 1523 of *Hansard*:

> Let us be clear about this. What happens if by six o'clock we have not finished the program which the government have in mind?

Time was beginning to run out. Then the hon. gentleman said:

> May I suggest to the house leader for the opposition that we reserve decision on that point till then, if we get to that point.

I do not know what that means. At any rate, I said "No", as *Hansard* reports. Subsequently, the house leader said, and I quote:

> I propose to ask unanimous consent of the house, when we reach that point, to sit later this day to see how far we can go with these supplementaries.

The hon. gentleman was uncertain as to what he was about. I said this:

> —let us settle this matter. The minister says "to see how far we can go." What happens if we do not get very far? Do we complete the business and have an Easter recess or do we not?

To which the hon. gentleman replied:

> I think it would be proper if I were allowed to confer with the hon. gentleman while the next hour proceeds.

Then from five o'clock until ten minutes to six I was here watching, waiting for a call, to be summoned to another "confidential" meeting. Time was running out, and at ten minutes to six I went to his office and others appeared, and nothing was accomplished because the house leader did not know what to do. He was going to ask if we would sit from six o'clock on, and see what we could accomplish, but he had no plan and he did not know how he was going to get himself out of his difficulty.

This is no way to run a government; it is no way to run the business of the house. I thought that the experienced people on the other side would assist the Minister of Justice; but they have sacrificed him. They do not care. I thought the Minister of Finance would come to his assistance, or the Minister of Transport. But oh, no; they did not do that. Then the minister really got himself into difficulty at six o'clock by saying, "This house will have to sit tomorrow, Good Friday". Of course, he said he did not agree with that, but nevertheless the house would have to sit unless there were unanimous consent to proceed, and he was holding the club over our heads to proceed Thursday evening to complete—

Mr. Favreau: Mr. Chairman, on a question of privilege, may I ask the hon. gentleman to quote *in extenso* the text and to read into the text the words which I clearly remember having added, namely, "a procedure with which I personally do not agree"; that is, sitting on Good Friday.

Mr. Churchill: I will accommodate the minister, Mr. Chairman. This is what he said, as is reported at page 1532 of *Hansard*:

> May I have permission to draw to the attention of the house the fact that unless, somehow, we have unanimous consent to proceed, then otherwise, under the rules this house will have to sit tomorrow, Good Friday—

Up to that point—

Mr. Favreau: Then, "a course with which"—

Mr. Churchill: I will continue, but this is what he said up to that point. He was threatening the house that unless something happened by unanimous consent, the house would be compelled to sit on Good Friday. Then, of course, he said:

> —a course with which I personally would not agree.

He was keeping an escape hatch, of course, for himself; but nevertheless the threat was there, "Continue during Thursday evening, and unless we have unanimous consent we will have to sit on Good Friday". He would not cite a terminal date for what he might want to do on Thursday evening, and had we sat again at eight o'clock on Thursday and continued until ten or eleven o'clock, another three hours only would have been given to the estimates. I had so frequently warned him that the "supps" could not be passed in that time and all he had to do was look back in *Hansard* or ask some of his colleagues —for example, the Secretary of State for External Affairs. Up to that point on Thursday evening we had spent seven hours on supplementary estimates. Two years ago the Liberal opposition spent seven days. So things were to be railroaded through this house and the opposition, of course—and properly—would have been subjected to criticism for rubber

stamping the largest group of final supplementary estimates that have been presented to the House of Commons in 14 years. If hon. members look back at the record, they will see this is so.

That is what we were faced with on Thursday evening. So we have reached this stage where the hon. member for Winnipeg North Centre attempts, once again, to save the government. I wonder what he is afraid of and what his party is afraid of.

An hon. Member: An election.

Another hon. Member: It isn't you, anyway.

Mr. Churchill: Well, the N.D.P. and the Liberal party have tried to destroy me for a number of years, without success.

Mr. Knowles: We will leave it to you from now on.

Mr. Robichaud: You are destroying yourself.

Mr. Churchill: I have heard this story for a number of years, and I am still here. I realize that the Liberals do not like it; they would like to see me out of the house. But I happen to be still here, and while I am here I assert my right to be heard and I deny the false statements of the hon. member for Winnipeg North Centre. I deplore the fact that he has now destroyed the confidential meetings of the house leaders.

Mr. Bell: Shame.

Mr. Churchill: I suggest that the only course now open for the government is to select a new house leader on their side and attempt to make better progress in the future. I make one further appeal through the Acting Prime Minister. I make one further appeal to him, the diplomat, to approach the Prime Minister and suggest to him that the word of honour given in this house has been broken by the action of those who were left here to carry on the business last Thursday. If we cannot rely upon the word of the Prime Minister of Canada, what assurance have we for the future?

Mr. Pigeon: The same old gang.

Mr. Churchill: I do suggest that the Secretary of State for External Affairs do that.

Mr. Martin (Essex East): Mr. Chairman, will my hon. friend permit me to observe that I am sure he will agree that if there is one hon. member of this house whose word we can accept, it is that of the Prime Minister of Canada.

Mr. Churchill: I wish we could accept the word of the Prime Minister, but I drew this to the attention of the house the other day.

Some hon. Members: Shame.

[Mr. Churchill.]

Mr. Churchill: I refer to his statement with regard to the Easter recess, and this afternoon in the house his statement with regard to the veterans hospitals—one answer to me; another answer to another member. Those answers being contradictory. What reliance can we place on him? Until the Prime Minister takes control of and directs the affairs of the government side, the House of Commons will gradually be destroyed. I could point out, again, what reliance are we to place on the Prime Minister's word with regard to what went on with the Department of Agriculture; the statement read to us the other day by the Minister of Transport.

Some hon. Members: Order.

Mr. Churchill: I make one final appeal to the Secretary of State for External Affairs: Let the word of the Prime Minister be observed. On page 1358 of *Hansard* the Prime Minister is reported as having said this:

> Mr. Speaker, I thought it had already been indicated to the house that it is our hope and intention to adjourn Thursday evening and resume our session on April 6. There is one reservation to that, of course, and that is on the understanding that interim supply is passed by the house.

Mr. Pickersgill: Mr. Chairman, will the hon. gentleman permit a question. Will the hon. gentleman read the comment that he made immediately after that?

Some hon. Members: Hear, hear.

Mr. Churchill: I said:

> No, you did not say that the other day.

Mr. Pickersgill: Exactly.

Mr. Churchill: The "other day" the Prime Minister had—

Mr. Knowles: Who talks about accepting the Prime Minister's word, then?

Mr. Churchill: When the Prime Minister first referred to the Easter recess he did not indicate the necessity of passing interim supply. These are his words. I gave them on Thursday, and this will be found on page 1533 of *Hansard*. These are the words of the Prime Minister:

> I informed the house the other day that today I would announce the plans for the Easter recess. It is proposed, Mr. Speaker, that the house should adjourn at the end of business on Thursday, March 26 and reassemble on Monday, April 6.

Subsequently he repeated that statement and added the rider or reservation that interim supply be passed by the house. He had not said that earlier, and we passed interim supply very quickly on Thursday. We lived up to the suggestion of the Prime Minister and accepted his reservation because we realized that interim supply is essential so that government business may be

carried on and salaries may be paid. We lived up to our part of the bargain and I ask the Prime Minister to live up to his.

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

Mr. Churchill: Certainly.

Mr. Knowles: Since the hon. member for Winnipeg South Centre indicated that it was his purpose to draw attention to the falsity of certain statements which I had made when I spoke earlier, will he indicate precisely what statement I made which was false.

Mr. Churchill: I do not mind the question and I am sorry the hon. member was not paying closer attention. I direct his attention to two false statements. One was when he mentioned the motion which the house leader was putting on the order paper. The hon. member for Winnipeg North Centre said that I requested that it not be put on, and I dealt with that. I said that I made no request whatsoever. What I said was: "You put it on and you are in for trouble".

Some hon. Members: Oh, oh.

Mr. Churchill: They were prophetic words. He has been in trouble without that and he has been sacrificed by his colleagues.

The second false statement of the hon. member for Winnipeg North Centre was this. He said that we all assured the government house leader that he would have unanimous consent not to sit on Good Friday. I say that is false; no such assurance was given.

Mr. Knowles: May I just point out that when I spoke earlier I said with respect to the notice of motion that the hon. member for Winnipeg South Centre had objected to it and that I myself made the suggestion that it be withdrawn and that we proceed by unanimous consent. So I suggest that any attempt to say that this is false has been treated by the house in the manner in which it deserves to be treated. As for the other statement, I am afraid I do not understand the meaning of the word "commitment" if it is not a fact that we all assured the Minister of Justice at these meetings not once but on several occassions, that there would be no denial of unanimous consent for the purpose of not sitting on Good Friday.

Mr. Thompson: Mr. Chairman, I am not quite sure where this debate is taking us to. If we are not careful we will be in exactly the same position next Thursday night that we were last Thursday night, namely making public spectacles of ourselves and of the house.

I should just like to say a word of thank you to the hon. member for Winnipeg North Centre because I think he has done a service to the house and every member in it by making certain matters clear. I was not at the meetings which have been referred to as confidential meetings, but the hon. member for Fraser Valley, who is the house leader for our party, always reports to me following these meetings and tells me exactly what happens. He reported to me last Tuesday night and again reported in much detail to our caucus meeting on Wednesday morning. I understand that this is the duty of a house leader and that these meetings are not some secret and confidential gathering of five select members of the house. These five members come together for the purpose of working out a logical procedure to enable us to make some progress and fulfil the purposes for which we are here. Therefore I am grateful that this matter has been made clear for the record, both as I understood it and as I think practically all the members of the house who were so informed understood it.

It seems to me that last Thursday just prior to six o'clock it was the wish of practically every member in this house—

An hon. Member: What do you know about it? You were not here.

Mr. Thompson: I beg to differ; I was here until ten minutes past five. I carefully checked then and it was the opinion of practically every member of the house that we take our Easter recess. I would not have left if I had not thought that this was the understanding. I believe that what happened later that day and again on Friday is not something that most members, if they examine their own conscience, wanted to happen nor expected to happen.

I also make it very clear that very few members of this house really wanted to come together on Good Friday. I think that what happened on Friday is a precedent which we ought to be ashamed of, and if there is anything in the events of the last few days which should bring us to the conclusion that we had better pull up our socks and act a little more like responsible men it is this very fact. As it stands we are caught in a trap of our own design. This is a thing which destroys the confidence of the public in parliament and which makes our own work in this house very much more difficult than should be the case.

The situation as it relates to the events of last Thursday centres around the passing of the supplementary estimates. I would just remind the members who have sat in the house for many years that only six or seven years ago, and in all the years prior to that time as far as the record shows, it was the custom of the house to approve supplementary estimates and interim supply such as these with a minimum of debate. In

fact, in checking over the records today I found that it seldom took more than half an hour.

Some hon. Members: Oh, oh.

Mr. Thompson: Well, if you check the records you will see that is so in the case of both the Conservative and Liberal administration prior, shall we say, to the years prior to 1957 and 1958.

Mr. Bell: This involves a quarter of a billion dollars.

Mr. Thompson: I do not know what all the fuss is about. We have six motions of supply facing us in the months ahead. We also have the estimates for the coming year. True, the amount of money involved here is a large one, but tomorrow is March 31, which is the end of the fiscal year, and this money has already been spent. Instead of discussing these supplementary estimates we are discussing just about everything else under the sun. My only hope is that we will face up to the realities and responsibilities which are before us and come to grips with them, instead of beating about the bush and indulging in a lot of horseplay.

Mr. Howard: Mr. Chairman, I have listened with a great deal of interest to what the hon. member for Winnipeg South Centre has said to us. I think it confirms the reason why he was fired from the position of minister of trade and commerce when he held that portfolio in the government. If the Minister of Justice has learned nothing else from his difficulties of the past few days I am sure he will have learned this much, that never again will he place any faith in what the hon. member for Winnipeg South Centre tells him.

Inasmuch as the hon. member for Winnipeg South Centre mentioned my name and the name of my confrere, the hon. member for Timiskaming, as being members with whom a whip might have difficulty in getting acceptance of certain proposals, may I say at the outset that that is quite true. May I also say why we have indicated this attitude to our whip so far as his dealings with other house leaders here are concerned. It is because the hon. member for Timiskaming and myself, especially during the period from 1958 until prior to the election of 1962, had many direct and indirect dealings with the hon. member for Winnipeg South Centre when he was then house leader for the government, and we came to appreciate then that you cannot place much faith in his integrity when it comes to making commitments.

We told this to our whip; we said that as long as that gentleman was involved in the discussions we wanted to issue a caveat and protect our position because, as sure as heaven, when he came into the house he would say exactly the opposite of what he had said when taking part in these secret and confidential meetings.

Mr. Churchill: That is false, and you know it.

Mr. Howard: So far as these so-called secret and confidential meetings are concerned, to me they have never been secret or confidential. Good heavens, we would take the hide off our whip if he ever came to a caucus meeting and refused to tell us what went on in these discussions, and so would every other party, unless the Tories are different. Does their house leader not tell them what is going on? Does he not report to them? Does he not go to caucus? Maybe they do not believe him either.

So far as our party is concerned, we want to know from our whip what discussions have taken place, what suggestions have been made, what commitments have been made. It is not normal practice to disclose what goes on in caucus although I think it is a shame that we do not on some occasions. I think we should at times, because after all in caucus we are also dealing with public business. However, I will say that what the hon. member for Winnipeg North Centre has related here this evening is precisely and identically what he reported to our caucus following these discussions. I think it is a shame and disgusting to see the hon. member for Winnipeg North Centre—

Some hon. Members: Oh, oh.

Mr. Churchill: You are right, North Centre.

Mr. Howard: Winnipeg South Centre. When one is groping for polite words to apply to that hon. gentleman it is easy to make a slip of the tongue. It is a shame to see a former member of the cabinet come into the house and try to twist and distort the truth and the facts so as to leave a false impression of what went on with the house. As far as I am concerned, if we never have any more secret meetings we will be better off, if the hon. member for Winnipeg South Centre, the house leader for the Tories, is going to be involved in them.

When it comes to the question of the accusation against our whip—I had better refer to him as our whip because I may get the constituencies mixed again—of being a potential member of the Liberal party just because he stands up to defend a member of the government who has been much maligned by both the Leader of the Opposition and the Tory house leader, all I can say is that surely to heavens you can tell the difference between a man wanting to defend and protect a

person from being maligned and the kind of distortions that the Conservatives have been making.

The Chairman: Order. As chairman of the committee—will the hon. member kindly resume his seat—I do not wish to intervene in this discussion, but it has been the impression of the Chair that particularly during the last few minutes we have been straying more and more from the resolution which is before the house. I realize we got away from it perhaps unconsciously, but I feel we have reached the point now where all that had to be said has been said and perhaps things that should not have been said have been said, and I would be very pleased to recognize an hon. member who would like to discuss the estimates that are before the house.

Mr. Howard: Why did you not say that before six o'clock?

The Chairman: I do not, of course, want to get involved in a discussion with the hon. member but at the request of the hon. member who has just interjected I did read the resolution to the committee and, as *Hansard* will show, I did indicate that I thought we had strayed quite a distance away from the particular resolution before the committee. Having allowed a number of hon. members to discuss the proceedings which preceded today's sitting, I considered that other hon. members who felt that they were personally involved should be allowed to enter the debate. That is why I have not intervened for the last hour. I do not wish to intervene at this point but I feel that a word of caution is perhaps in order now and I would earnestly invite the co-operation of all members of the committee to get back to the item before us.

Mr. Gundlock: Mr. Chairman, I am very happy to come back to the item under consideration. As a matter of fact, I am glad that I do not share some of the secrets that some other members have. I do think though that with even a simple consideration of the rules the Minister of Justice could have avoided everything that has happened.

Several days ago, as a matter of fact weeks ago, I asked questions in the house under this particular item having to do with administration of agriculture, and to me administration is the same as policy. To my mind administration and policy are practically one and the same thing. I put several questions to the Minister of Finance who is not in the house tonight. I assume that the President of the Privy Council is taking his place.

The Minister of Finance told me that this was a good item under which to ask my questions and I am glad that we are here today discussing it. As a matter of fact, there are many items before us totalling a quarter of a billion dollars. The questions I asked, particularly on March 13, have not been answered.

Mr. Winch: What phase of agriculture is the hon. member now discussing?

Mr. Gundlock: Item No. 1, administration, and to me administration is policy. The two are inseparable. The questions I asked at that time had to do with administrative policies affecting research and several other items. The Minister of Agriculture was not in the house at that time and tonight I think we should be able to ask him to answer some of those questions.

One question in particular had to do with the Farm Credit Corporation. At the time the Minister of Finance said he would bring it to the attention of the minister responsible, but at that time we were not sure who the minister responsible was.

Mr. Diefenbaker: We are not yet.

Mr. Gundlock: Maybe we are not yet. But the Minister of Agriculture is here. He has been in the west and we have seen newspaper reports to the effect that there will be sweeping changes in the Farm Credit Corporation. Is it not fair that the Minister of Agriculture should rise in his place at this point and explain? That is why we are here today. We could not pass a quarter of a billion dollars of estimates in a few short minutes. We need some questions answered. I asked these questions having to do with item No. 1, administration, which to me means policy. The only policy we have heard has been on the hustings. If you only knew, Mr. Chairman, what some hon. members opposite say on the hustings you would not blame us for asking certain questions here.

I should like to ask the Minister of Agriculture, who makes announcements outside of this house in connection with this item, if we could not have some explanation? There are members in this committee who have good, practical advice to offer the Department of Agriculture and the minister, and I believe the minister knows this. The reason this item was allowed to stand, Mr. Chairman, was that we could not ask a question under this item as there was no responsible person at the moment amongst hon. members opposite.

I should like to ask the minister, quite seriously, under this item, what new policy or what new regulations might be made in connection with the Farm Credit Corporation? Is the minister ready to answer?

Mr. Hays: I am quite prepared to answer all the questions just as soon as all the questions have been asked.

Mr. Gundlock: This is the reason we are here today. We are being asked to pass estimates totalling a quarter of a billion dollars without any answers or any explanations. Would the minister care to answer that question?

The Chairman: My understanding of the proceedings, since we started this afternoon, has been that hon. members were to be given an opportunity of asking questions or making statements of a general nature, following which the minister would make a statement in reply. If the minister replies to any particular question along the way, that is up to him to decide. I would suggest that there are other members who still desire to make speeches of a general nature, and probably they should be allowed to make their contribution before the minister makes his statement.

Mr. Gundlock: As I stated at the outset, I asked a question on March 13 and the Minister of Finance, who is not here tonight, assured me he would bring it to the attention of the minister. This is the reason we are here today. These specific questions were asked, and will the minister now give us an answer to them?

The Chairman: Shall the item carry?

Some hon. Members: No.

Mr. Nowlan: I should like to suggest, Mr. Chairman, that there are many items here which have no bearing whatever on the close of the financial year. I am thinking, for instance, of this stabilization board item and the butter write-off. There are scores of items—I will not say scores because I have not checked them—there are many items which could very properly be allowed to stand until such time as we return, if we do have an adjournment. There are other items which, possibly, the government may say it is essential to have passed. This would appear to me to be one way in which we could make some progress and still reserve the right to debate certain items.

There is a salary item, for instance, and if the minister were to say that item is essential to be passed between now and March 31, that is something to which we would have to give very careful consideration As I have said, there are items here, such as the write-off on butter, which could be allowed to stand and which would give one an opportunity later to deal with agricultural matters. I am wondering if any progress could be made in dealing with these estimates if we could have an agreement or a discussion as to which items the government feels are essential to be passed between now and tomorrow night. Personally, I do not believe any of them are essential, but I am not entirely cognizant of all the problems. There may be salary problems and there may be bills which have to be paid. I think possibly some of the creditors may be held up and the civil servants may be paid instead. In this way, Mr. Chairman, I think we could make real progress. The government could withdraw from the appropriation bill the items which are not essential between now and tomorrow night. In the meantime, we could pass those which the government says are essential, and reserve the right to debate some items. I am sure we would find items in every department on which we could have a debate.

Mr. Pickersgill: I wonder if I might say a word in response to what the hon. member for Digby-Annapolis-Kings has said? Possibly we could follow the procedure of standing this item with which we are dealing now, and then just go ahead with the other items. If there were any one that the opposition felt they wanted to allow to stand for special discussion, that could be considered. In the meantime, perhaps the hon. member for Digby-Annapolis-Kings and the president of the council could confer briefly to ascertain whether or not something along the line he has suggested might be possible. I would include the house leaders, of course, but the president of the council is representing the Minister of Finance and has the kind of information that is necessary for such a discussion.

Mr. Webb: Mr. Chairman, in my opinion, the debate which is now taking place is the result of one of the more evident weaknesses of this government. I refer to the refusal or the inability of ministers to answer questions in the house. Each and every day questions are posed to these ministers, and inevitably one or the other looks around, almost using mental telepathy and saying to one another: You answer this one; I don't know what it is all about. Each one of us would concede that a new minister should be allowed a period during which to become familiar with his department. However the same weaknesses are evident in the more experienced members. As a colleague of mine from another party said to me the other day, "Rod, you cannot help sometimes feeling sorry for them, they are in such a state of confusion".

The other day the hon. member for Oxford asked the Minister of Trade and Commerce a question with regard to advertising cheese in foreign markets. The minister replied that every company had been notified and every company had an opportunity to take advantage of this notification. I at once went to the telephone and called the Ontario cheese producers who sell some 65 million pounds of

cheese per year. They told me that they were not informed and did not even know what I was talking about. Just today, sir, there was another example of this weakness. The Prime Minister, in answer to a question concerning hospitalization, gave the opposite information to that which the Minister of Veterans Affairs gave to the house a few days ago.

Sir, on Good Friday Canadians again experienced another black Friday under Liberal rule. We all remember the pipe line debate when many of the ministers opposite tried to bulldoze business through. Last Thursday they held a club over the opposition's head, demanding that it pass expenditures of some $240 million without even an opportunity to debate, question or scrutinize these bills.

As you know, Mr. Chairman, some of the ministers responsible for the first black Friday have since gone to the Senate. Some have been demoted and some are still there, but as one sits on this side of the house each day it becomes more and more evident that the government is disintegrating. In all fairness to the people of Canada I say the government should immediately re-organize itself, or else bring some of the younger backbenchers, full of blood and vigour, up to the front benches. The only other alternative it has is to resign and face the people of Canada.

The Chairman: I had expressed the pious hope a moment ago that perhaps we might return to vote 1e of the Department of Agriculture. Perhaps I could have the co-operation of the hon. member to return to the consideration of agriculture estimates.

Mr. Pickersgill: Would the hon. gentleman permit me to interrupt for one second to put the question again which I put in response to the hon. member for Digby-Annapolis-Kings, when I made the suggestion we should stand the item we are now on and go ahead with other items on which there is no desire for prolonged debate, while the president of the council and the hon. member for Digby-Annapolis-Kings are conferring, as I understand they are at this very moment?

Mr. Diefenbaker: No, Mr. Chairman. We are most anxious to hear from the Minister of Agriculture who has sat in solitary silence for so long. There have been many questions asked of him and we want to have the answers before we finish vote No. 1, which is the general section. I cannot understand why a minster would sit here day after day and not give us any answers. If we get answers we will get on, but we will not go very fast unless there is a recognition on his part, or on the part of the triumvirate now looking after agriculture, that we have to get answers. If he cannot give answers perhaps some of the associate assistants or supervising ministers would be able to provide them.

Mr. Pickersgill: It was agreed upon at the very outset of these estimates, six sitting days ago, that the general speeches would be made on this vote, and the Minister of Agriculture has indicated three or four times that he would like to hear all the speeches and reply to them all at once. No objection was taken to this.

Mr. Diefenbaker: The minister cannot reply when he is not here.

Mr. Pickersgill: I am sure the right hon. gentleman would not wish to be unjust. The Minister of Agriculture has been here all evening. He went behind the curtain for a moment or two and he will be back in the house. If hon. gentlemen are ready to say they have completed their general speeches that would not mean they could not ask specific questions, and as soon as there is an indication that general speeches have been concluded the minister would be delighted to reply.

Mr. Diefenbaker: So that the record will be straight, the hon. gentleman says that the situation he has placed before the committee extends over a period of—10 days was it?

Mr. Pickersgill: Six days.

Mr. Diefenbaker: Six days. It now extends over a period of approximately ten and a half hours. Let us get it in hours.

Mr. Pickersgill: I think we ought to make that record complete. We took all day on March 13, all afternoon on March 16, all afternoon on March 18; we took practically all of the government time on March 25 and took a considerable time on March 26. That is five sitting days, as much time as the government had that was given by the house, and now we are on the sixth day.

Mr. Diefenbaker: Seven hours.

Mr. Pickersgill: Those were the same kind of days the right hon. gentleman talked about in 1962.

Mr. Diefenbaker: I just want to say to the minister that we are going to get answers to these questions and no amount of evasive subtlety is going to be a substitute for information. Let that be clear.

Mr. Pickersgill: I quite agree with the right hon. gentleman.

The Chairman: The hon. member for Cape Breton South, on a point of order.

Mr. MacInnis: Not necessarily, Mr. Chairman.

The Chairman: I might point out that the hon. member for Hastings-Frontenac has the floor, but I will recognize the hon. member if he has a point of order or a question of privilege. This is the only way he can get the floor at this stage.

Mr. MacInnis: I am very glad you brought my attention to the fact that I do have a point of order. You of course, sir, were completely prepared to recognize me on three different occasions but I would point out that the Minister of Transport, back to his rude ways, got to his feet on three occasions and carried on without proper recognition from the Chair. Since a point of order was requested of me, I give that. You were fully aware of the fact that members were about to rise when the Minister of Transport, back to his very rude tactics, once again jumped in his place and without recognition from the Chair spoke, which according to the Speaker himself is not allowed.

Mr. Nugent: On a point of order on what the Minister of Transport has said, since there has been so much misunderstanding I want to be sure of what will happen when the Minister of Transport said, "after the general speeches were concluded." Now, a lot of information has been asked for, and it is quite possible some of the information forthcoming may prompt another speech. I do not want this to go through without that reservation being contained in it, that if information is serious enough to give rise to another speech there will be time for that.

The Chairman: The hon. member for Hastings-Frontenac.

Mr. Webb: In closing I would like the minister, when he replies, to give us the prices of cattle for April, 1963 and each succeeding month until the end of the year, and the same information with respect to hogs. I also ask him to give us the figures on cattle exports to the United States in 1960, 1961, 1962, 1963 and 1964 to date.

Mr. MacInnis: Mr. Chairman, my remarks on agriculture will be as scarce as the answers which hon. members who are vitally interested in the subject have been failing to get from the Minister of Agriculture, because I am very anxious to see the business expedited in order to get to other matters which are of much keener interest to me. I am sure a few answers from the responsible minister would expedite the business of the house so that we can reach other matters of importance in my area. I have in mind the situation of which the Minister of Labour is aware, where U.I.C. benefits are going to be a very important issue very shortly. It would be very helpful if the committee could get to the labour estimates and a way could be found to supplement the unemployment insurance fund.

By the silence emanating from the other side of the house with respect to answers to agricultural problems, it appears to me the government has decided to sit back and say nothing, allowing the Conservatives to talk all the time about agriculture, so that later on the government can say the Conservatives have been filibustering. However the answers sought from the Minister of Agriculture are necessary to expedite the business.

I wonder if the hon. member in the far right hand corner on the Liberal benches would care to get up and give us a dissertation on his conscience. He seems to have a good deal to say from his seat—he is pretty hard to identify—

Mr. Cameron (High Park): On a point of order, is the hon. member referring to me? I did not open my mouth. If I did open my mouth I would say something more to the point than the hon. gentleman who is speaking.

Some hon. Members: Hear, hear.

Some hon. Members: Carried.

The Deputy Chairman: Order. The hon. member for Cape Breton South has the floor and I think he should be heard without interruption.

Mr. MacInnis: I only hope that the silence on my part will not be referred to as a take-off on the Minister of Agriculture.

Mr. Chairman, am I to stand here, having been recognized by the Chair, to listen to remarks emanating from the other side of the house? I notice that the Minister of Fisheries is quite vocal in intervening. Am I to stand here and try to make a few remarks with regard to this matter—

Mr. Robichaud: On a question of privilege, as my name has been mentioned I want to state that I never said a word. I was just looking and laughing.

Mr. MacInnis: There is one question I would put to the leader of the house and to all responsible occupants of the treasury benches. Just how far is this committee prepared to go in allowing ministers of the crown to rise without being recognized by the Chair? The Minister of Fisheries got up and said he did not say anything. He was not recognized by the Chair. He says he did not make an interjection and, while saying this, he is making an interjection.

Mr. Robichaud: On a question of privilege; when I rose, I rose on a question of privilege.

Mr. MacInnis: And on a point of order, Mr. Chairman: You did not recognize the minister on his question of privilege.

The Deputy Chairman: Order. I think I must appeal to the good sense of the committee to get back to the problem which is before us and address itself to the job which faces us.

Mr. MacInnis: The problem before the committee, whether we are willing to recognize it or not, is that of prying a few answers from the Minister of Agriculture. In order that the business before this committee might be expedited and in order that we might get on to other matters of concern to hon. members I would implore the hon. gentleman to get up and give us a few of these answers. Some of us are anxious to deal with other matters including the position of the unemployment insurance fund, which has dried up.

Mr. Hays: I am pleased to be able to give an account of the supplementary estimates as far as the Department of Agriculture is concerned and I shall do my best to answer all the questions which have been asked in this connection. I have listed these questions, but there are matters I may have missed and, if I could be reminded of them, I will endeavour to answer those questions, too, to the satisfaction of the committee.

I think, first of all, I should make a short statement in reply to what was said by the Leader of the Opposition. There has been considerable discussion on this matter of the transfer of certain functions between myself and the Minister of Forestry. Some, probably wishfully, have attempted to imply that certain functions have been taken from me against my wishes. I would like to assure them that any such interpretation is entirely without foundation. I am in complete accord with the arrangements which have been made.

The government and I, as Minister of Agriculture, have only one goal in agricultural matters and that is to administer agricultural policies as soundly and progressively as possible in the interests of Canadian agriculture.

The Minister of Agriculture has a wide range of heavy responsibilities. He is responsible for the administration of over 30 statutes and a number of non-statutory policies through a department of around 10,000 employees. In addition, as the Prime Minister has announced, he is to be responsible for railway branch line rationalization. It is perfectly logical, and indeed desirable, that some responsibilities should be transferred to another minister who is conveniently able to carry them. This is the reason why ARDA, MMRA and feed grain policy have been transferred to the Minister of Forestry, and I repeat that there was complete agreement between us on this.

The acts which remain with the Department of Agriculture are as follows: the Agricultural Products Board Act; the Agricultural Products Co-operative Marketing Act; the Agricultural Products Marketing Act; the Agricultural Stabilization Act; the Animal Contagious Diseases Act; the Canada Agricultural Products Standards Act; the Canada Dairy Products Act; the Canada Grain Act; the Cheese and Cheese Factory Improvement Act; the Cold Storage Act; the Crop Insurance Act; the Department of Agriculture Act; the Destructive Insect and Pest Act; the Experimental Farm Stations Act; the Farm Credit Act; the Feeds Act; the Fertilizers Act; the Fruit, Vegetables and Honey Act; the Hay and Straw Inspection Act; the Humane Slaughter of Food Animals Act; the Inspection and Sale Act; the Live Stock and Live Stock Products Act; the Live Stock Pedigree Act; the Maple Products Industry Act; the Meat and Canned Foods Act; the Meat Inspection Act; the Milk Test Act; the Pest Control Products Act; the Prairie Farm Assistance Act; the Prairie Farm Rehabilitation Act; the Seeds Act; the Wheat Co-operative Marketing Act; and the Criminal Code, section 178, race track betting. So hon. members can see I have not been stripped of all of my acts.

There seems to be some effort to create the impression that the powers of the Minister of Agriculture are gradually being whittled away. In the debate on supplementary estimates on March 13 the right hon. Leader of the Opposition referred to responsibility for the Canadian wheat board having been taken earlier from the Minister of Agriculture. Presumably he considers this wrong, or a reflection on the Minister of Agriculture, that the wheat board should be under the Minister of Trade and Commerce. Well, he was the head of the government from June, 1957 onward yet it was not until October of 1960 that the wheat board was placed under the minister of agriculture. Are we to interpret it as a reflection on the then minister of trade and commerce that the wheat board was taken from him at that time? Or, if the wheat board is considered to be a proper responsibility of the Minister of Agriculture, why was there a delay of three years before action was taken at that time? In fact, it is by no means an improper arrangement for certain measures such as the ARDA program to be placed with another minister whose interests and other responsibilities are clearly associated with them.

I would point out, as has been stated by the Acting Prime Minister, that there is to be a three man executive committee to co-ordinate policies for agriculture. It is to consist of the

Minister of Agriculture as chairman and the ministers of trade and commerce and forestry. No one need have any fear that there will not be full co-ordination between the different ministers and departments having responsibility for agricultural matters.

I have had some experience in working with both private and public bodies. I have never been associated with any group in which there was better team-work than there is in the government of which I am proud to be a member.

Mr. Chairman, the first hon. member who spoke as far as my estimates are concerned had something to say about calf hides and cow hides and their price. Of course, this does not come under my department but I can honestly say that I realize this is a great problem to the people who have stored many of these hides, some of them for years. As a matter of fact several people who have thousands of hides in store have come to see me and they have been to see the Minister of Trade and Commerce. There is a serious world problem in so far as hides are concerned. This year so far—and this answers another question—we have exported something like 175,000 head of cattle. Our exports generally run as high as 500,000 head. We are very fortunate in Canada vis-à-vis the situation that existed in the United States when they had a great surplus of cattle. They had been importing something over one million head from Australia; they were bringing in almost the same number from Mexico. This was causing them great concern. Twelve per cent of their beef was being imported, and they were moving to do something about this. They put on certain quotas; that is, red meat quotas in so far as beef cattle are concerned. This is the situation in the United States, and it does not affect Canada. I think they were very careful not to disturb the Canadian position. However, we found ourselves in the position where we had to slaughter something like 300,000 more head of cattle in the year than we generally have to slaughter in Canada. This gave us, not a matter of 6,000 or 7,000 more hides, but many thousands more hides, and we were already having a marketing problem. Hides have been substituted by plastics and this sort of thing, and I think we are going to have some difficulty in so far as hides are concerned for quite some time until possibly there is a new market or a new use found for hides.

I was also asked the question about prices of cattle. I realize that prices of cattle are not as high as they have been in the past, but I partly explained why this is so. The price of our cattle in Canada today is higher than that of United States cattle. This has not been the situation for many, many years. In other words, when our slaughterings of reds and blues—which are quality cattle in Canada—reached, say 18,000 heads, we would generally go on the export market and would move our cattle across the line into the United States market. It was not possible to do that this year. If we had been able to move them across into the United States, our live cattle today would have been possibly 16 cents or 17 cents a pound. In other words, our cattle must be 5 cents per pound higher than American cattle before American cattle can start to move into Canada.

Since June 15 this year we have consumed more beef per capita than we have for many, many years. It would look as though we are consuming at the rate of about 81 pounds of meat per capita. I humbly suggest to the committee that there is only one reason for our consuming this amount of beef, and that is because of our buoyant economy. People who work are people who buy our meat, and if we had not had a decline in unemployment it would have hurt not only the beef producers but most of our agricultural products. This is the situation that exists in so far as hides are concerned.

Another question one hon. member asked me was in connection with feed grain. A great deal was said today about agricultural policy. In so far as our feed grain is concerned, on August 27 we changed the policy, or whatever you wish to call it. I think the feed grain act started in 1941, whereby the federal government provided freight assistance from the great lakes to eastern spots in so far as western grain is concerned. Due to the tremendous sales of wheat and the amount of wheat that might have to move to seaboard, both to the Pacific coast and to the eastern coast, a great many consumers of feed grain were terrifically worried about their position so far as feed grain was concerned. This was a reasonable attitude for them to take.

We knew as early as the middle of August that there would probably be some difficulty in getting this feed to eastern spots. Therefore we decided to pay not only the freight rate but also the storage charges on grain from October 15 to April 15 in order that we might not only stop the speculation by the people supplying this grain to the producer, but also to help stabilize the price. If a buyer from Granby wanted to buy grain that was coming from western Canada, they could buy it and pay for it when they saw fit at any time before they were to sell the grain to the eastern farmer. This also helped to stabilize the grain situation in so far as feed grains are concerned. This policy did even more than we expected it might do. We thought that

toward the end of navigation we would have enough grain located in eastern Canada and would not have to bring any down by rail. As at last week we had 47 per cent more grain, or something like 21 million more bushels, on spot in eastern Canada and it will not be necessary to bring any by rail to eastern Canada.

There was some mention of the price of grain now at eastern spots. I am happy to report that, although wheat is somewhat up, No. 1 feed barley is $4.38 a ton less than it was a year ago; No. 1 feed oats are $2.50 a ton less than they were a year ago; and Ontario corn is $1.08 less than it was a year ago. As I said, we do have on spot ample grain to take care of the requirements of the feeder in eastern Canada, and this is the first time for many, many years that this has been possible. This is coupled with the fact that we have shipped more grain out of Canada from both east coast and west coast and have had a record year in this connection.

What is the stability of the grain that was moved into eastern spots? In Quebec, in December, the cost of No. 1 feed oats was $2.43 per cwt. and in March it is $2.46, or 3 cents difference, which is a very small amount. Feed barley was $2.40 per cwt. in December, and in March $2.44. In Montreal, in December, oats were $2.48, and in March $2.49. In so far as barley is concerned, in December it was $2.39, and in March $2.43. So we feel that this policy of paying the storage and the freight, has helped stabilize the situation and has also helped us to gather ample amounts of grain in eastern locations for the eastern farmer. I am sure that if hon. members go out in the country, as we have done on many occasions, and ask the farmers, these farmers will assure them that this situation although it may not be perfect, has certainly effected some improvement. We hope that next year we will be able to improve it even more, and I am sure this is also the wish of every member of this house.

In so far as dairy policy is concerned, my hon. friend from St. Hyacinthe-Bagot spoke yesterday about this matter. Hon. members will remember that on May 1, 1963 we did change the dairy policy and took the subsidy off fluid milk, but we did put a premium on cheese. I telephoned yesterday to get the price of milk at Granby and St. Hyacinthe. In 1963 uncooled milk was $2.85 per cwt., cooled milk was $2.95 and bulk tank milk was $3.00. In 1964 uncooled milk was $2.95, 10 cents higher in the constituency of the hon. member than it was in 1963. Cooled milk was $3.05 per cwt., 10 cents higher, and bulk milk was $3.10, again 10 cents higher. I think this condition has existed all over Canada.

Now perhaps I might say a few words about butter. We have been storing butter since 1957 because of the very high support required, 64 cents a pound butterfat. In 1963 we changed our dairy policy and put a premium on cheese milk. The thinking was that if we did this it would result in larger cheese production, and we had a market for all our cheese. I do not know the exact figures but it seems to me that the Canadian producers converted more milk from butter to cheese, which resulted in 18 million pounds more cheese being produced, compared with the previous year, and cheese for which we had a market. I realize we have more cheese in store today, but this does not concern us as much as being able to level off the consumption and production of butter.

Then I was asked what we were doing about exporting butter to Great Britain. I made an announcement some time ago in this house, I think in early fall, that we had decided that the time had come when we should start to move some of our butter stock. We had been able to level off production and consumption, and it was costing us $350,000 a month storage, so we decided it would be better to take a loss and to move this butter into a market if possible. I am pleased to report that we have been able to move some of this butter. In moving it into Great Britain we first had to get the permission of the quota countries sending butter to Britain, and they allowed us to send five million pounds. I also think we supplied them with $4\frac{1}{2}$ million pounds of butter oil.

Mr. Pickersgill: Mr. Chairman, may I move that we rise, report progress, and ask leave to sit again?

The Deputy Chairman: Shall the motion carry?

Mr. Peters: Next sitting of the house.

Progress reported.

THE ROYAL ASSENT

Mr. Speaker: I have the honour to inform the house that I have received the following communication:

Government House,
Ottawa, March 30, 1964

Sir:

I have the honour to inform you that the Honourable Wishart F. Spence, puisne Judge of the Supreme Court of Canada, acting as Deputy to His Excellency the Governor General, will proceed to the Senate chamber today, 30th March, at 9.45 p.m., for the purpose of giving the royal assent to certain bills.

I have the honour to be,
sir,
Your obedient servant,

A. G. Cherrier
Assistant Secretary to the Governor General

Royal Assent

A message was delivered by Major C. R. Lamoureux, Gentleman Usher of the Black Rod, as follows:

Mr. Speaker, the Honourable the Deputy Governor General desires the immediate attendance of this honourable house in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the house went up to the Senate chamber.

And being returned:

Mr. Speaker informed the house that the Deputy Governor General has been pleased to give, in Her Majesty's name, the royal assent to the following bills:

An act respecting the Trans-Canada Air Lines Act.

An act for granting to Her Majesty certain sums of money for the public service for the financial year ending the 31st March, 1965.

It being 16 minutes after ten o'clock the house adjourned, without question put.

HOUSE OF COMMONS

Tuesday, March 31, 1964

The house met at 2.30 p.m.

CANADIAN CONFEDERATION

FIFTEENTH ANNIVERSARY OF ENTRANCE OF NEWFOUNDLAND

Hon. Paul Martin (Acting Prime Minister): Mr. Speaker, before we proceed I think the house will agree, particularly in view of the fact that the provinces are foregathered in Quebec, that today it would be appropriate in this house to mark the fifteenth anniversary of the entry of Newfoundland into confederation. I am sure our association with that province in the Canadian family will mark a period of national unity in which citizens in all parts of Canada will share in the prestige and achievements of our country.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I am sure the house will agree with the sentiments expressed by the Acting Prime Minister. The entry of Newfoundland into confederation brought about the achievement of a dream which existed from the days prior to confederation and throughout the intervening years, and made possible the establishment of one Canada. Indeed, as one enters the House of Commons and sees those words "The wholesome sea is at her gates, her gates both east and west," one must conclude the writer forgot her gates to the north, but all those seas actually became part of our country on the entry of Newfoundland into confederation, to which it has given so notable a contribution.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, the members of the New Democratic party would like to associate themselves with the remarks which have been made by the Acting Prime Minister and the Leader of the Opposition in commemorating the fifteenth anniversary of Newfoundland's entrance into Canadian confederation.

I think all of us believe that Newfoundland joining the Canadian family has been a good thing for Newfoundland and for Canada. We trust this newest member of the Canadian family will long enjoy its association, that the spirit of unity which brought Newfoundland into confederation will permeate all the provinces of Canada and that we shall continue to build in the spirit of unity, a great nation on this northern half of the North American continent.

Mr. R. N. Thompson (Red Deer): Mr. Speaker, we in the Social Credit party join with the Acting Prime Minister and the leaders of the other opposition parties in expressing our own feeling of gratitude on this fifteenth anniversary of Newfoundland's entry into confederation, at the progress that has been made, and at the general attitude of Canadianism that has been displayed by these our youngest brethren.

I think there is a lesson to be learned from Newfoundland, a lesson that has been developing during the last fifteen years in which the people of Newfoundland have become thoroughly convinced of the benefits which are theirs in being part of Canada. You may recall, sir, that when the decision was made to come into Canada it was only a very small majority of the people of Newfoundland who thought that was the right thing to do, but today there is practically a unanimous feeling amongst those people, and they are happy and proud to be part of Canada. This is a lesson which we should be more conscious of than we are.

[*Translation*]

Mr. Real Caouette (Villeneuve): Mr. Speaker, when Newfoundland joined the great Canadian family, 15 years ago, I was a member of this house and we welcomed Newfoundland into our confederation with enthusiasm.

Since then the people of Newfoundland have sometimes wondered whether they had taken a good step forward and done the right thing in becoming part of Canada. Today I think Newfoundland is perfectly happy to be one of the Canadian provinces.

On this anniversary I wish Newfoundlanders a great deal of prosperity and an ever-increasing contribution to the emancipation of each of the Canadian provinces. We are very glad to extend to that province our wishes for many more years within the Canadian confederation.

[*Text*]

[*Later:*]

On the orders of the day:

Hon. J. A. MacLean (Queens): On this fifteenth anniversary of Newfoundland entering confederation perhaps I might be permitted to ask the Acting Prime Minister a question. Is it the intention of the government at the current federal-provincial conference to make good on its oft repeated pledge to restore

term 29 of the terms of agreement under which Newfoundland joined confederation?

Mr. Martin (Essex East): My hon. friend, who has been a very experienced minister of the crown and, I might say, a very agreeable member of parliament, will not mind me saying that you do not settle that kind of question at a conference. You do it by legislation in this house.

Mr. MacLean (Queens): May I ask a supplementary question. Will the Acting Prime Minister give us some hint as to the form this legislation would take, since I think the main point of term 29 was that a royal commission would be set up eight years after Newfoundland joined confederation, which was seven years ago, and which was done by the government of which he was a member.

Mr. Martin (Essex East): I am sure my hon. friend does not want to mar this anniversary event by inappropriate or embarrassing questions, which can, of course, be very easily answered in the proper context. He asked me for a hint, and I will be glad to give him a hint if we make some progress today.

BRIDGES

SARNIA, ONT.—ESTABLISHMENT OF BLUE WATER BRIDGE AUTHORITY

Hon. Paul Martin (Acting Prime Minister) moved the first reading of Bill No. S-4, (from the Senate) respecting the international bridge over the St. Clair river known as the Blue Water bridge.

Motion agreed to and bill read the first time.

NATIONAL DEFENCE

APPREHENSION OF PERSONS RESPONSIBLE FOR ARMOURIES THEFTS

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): I wish to direct a question to the Minister of Justice. It has to do with the news article which appeared in *Le Devoir* this morning to the effect that a number of individuals are in the custody of the police having been arrested in connection with thefts from the armouries. Is the minister in a position now to confirm that this is so, and also let the house know to what extent there has been a recovery of the arms which were removed?

Hon. Guy Favreau (Minister of Justice): My attention was taken by a number of other matters during the course of this morning, and the first I heard about the news to which the question refers was around 12 o'clock. I asked that the facts be investigated and that a report be made to me, but I must tell the right hon. gentleman that at present I have no information which I could give to the house. If I should receive a report later on which in my view would enable me to make disclosures, and if doing so would prove useful, I might try to revert to this point of our proceedings in order to make a statement.

Mr. Diefenbaker: Mr. Speaker, possibly we could get an equally succinct answer from the minister of defence. Has he any information as to the arrest of any persons charged with having broken into the armouries? I ask him this because he mentioned earlier that there was the closest liaison between the mounted police and the local police forces, as well as the armed forces.

Hon. Paul Hellyer (Minister of National Defence): That is true, Mr. Speaker, but at the moment I am waiting for a report from the Minister of Justice.

Mr. Diefenbaker: Mr. Speaker, the answer is complete; it is that there is no liaison.

DISBANDMENT OF FIGHTER SQUADRON 410

On the orders of the day:

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, I have a question for the Minister of National Defence. Does the disbandment today of that most famous of all the Canadian all-weather fighter squadrons the 410, Cougars, confirm the fact that this government has at long last recognized the passing of the bomber threat?

Hon. Paul Hellyer (Minister of National Defence): No, Mr. Speaker.

Mr. Dinsdale: If that is so, Mr. Speaker, why is the squadron with the greatest seniority and the most battle honours being disbanded at the present time?

Mr. Hellyer: I will take the question as notice Mr. Speaker.

REQUEST THAT OFFICERS' COMMISSIONS BE IN BOTH LANGUAGES

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Associate Minister of National Defence.

In view of the fact that commissions which are given to French speaking members of the armed forces are written in English only, is

it the department's intention to remedy the situation so that, in future, officers' commissions will be in French?

Hon. Lucien Cardin (Associate Minister of National Defence): Mr. Speaker, I shall make inquiries to ascertain whether the assertions of my hon. friend are accurate and well-founded.

Mr. Pigeon: They are well-founded.

[*Text*]

EARTHQUAKE DAMAGE

INQUIRIES AS TO ASSISTANCE TO B.C. AND ALASKA

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): I believe the minister of northern affairs has been designated as the minister to give attention to the plight of those who have been adversely affected by the flood in the Alberni valley. I should like to ask the hon. gentleman if he could give the house any report as to what the government have done to help the victims of this disaster, and what plans they have to assist those who are in need.

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): I think yesterday the deputy provincial secretary in Victoria, Mr. Lawrence Wallace, asked for the intervention of the army, and within a very few hours there was a reconnaissance party in Alberni. Beginning, I think, at midnight last night the army started moving in a total of 240 men, and today at noon they began bringing in some heavy equipment designed, I believe, to repair municipal services in the general area.

I want to tell the hon. member that, thankfully, it would now appear that the over-all damage is much less than was at first anticipated. This does not in any way detract from the enormous loss to individuals. We are now informed, on a preliminary basis, that 45 houses have been totally destroyed, some 14 have been very severely damaged, and 375 more houses have more or less damage. This, of course, is a very severe loss, and is one reason why this morning I sent a wire to Hon. Wesley Black, minister of social welfare, asking him to supply us with a copy of the assessment of the damage to these private properties and to give us some indication of how they intended to compensate these people who otherwise are not covered by insurance at all. This is the nature of the severity in that area and, of course, to these individual persons it is extremely severe.

I understand that inquiries are being made concerning a disaster fund that I think still exists in the province of British Columbia. It is in charge of one or two trustees, and that fund may be released. In addition, a new disaster fund has been started. I think the hon. member himself is probably the only member present in the house who visited the scene last Saturday. He gave his commendation to that fund, and I understand that very worth-while contributions are being made. I think we should all assist this fund, because it is an excellent exercise in humanism in itself.

I was talking to Mayor Fred Bishop of Alberni this morning, and he advised me that the civic leaders there, and indeed the people, were most gratified at the action taken by all levels of government and by the various agencies that are contributing to overcome the difficulty in the area.

Mr. Douglas: A supplementary question, Mr. Speaker. In view of the fact that the most pressing need is for assistance to the people who have been rendered homeless—I understand there are 77 families with no roof over their heads and another 233 families who have been placed with their neighbours, and that these people need bedding, clothing, cooking utensils, dishes and furniture so they can be taken care of—has the government given any consideration to the possibility of making a substantial contribution to the Alberni valley disaster fund, which might be the most immediate way of helping those who are in need at the present time, pending looking into the question of rehabilitation?

Mr. Laing: Mr. Speaker, as the hon. member has raised this matter I think I should read to the house the wire that I sent to Hon. Wesley Black this morning, which I think relates to any action we might take:

> Am advised army unit now moved into Alberni area on request of Mr. L. Wallace. Thankfully over-all damage appears less than first anticipated. However individual losses of homes furnishings and businesses constitute grave misfortune to people without coverage. Please be good enough furnish me with copy of report assessment of damages to private property and your proposals for assistance in such cases. Am advised army moving in heavy equipment today to assist civic authorities restore municipal services.

I would expect to receive a wire in response from Hon. Wesley Black.

Mr. Douglas: A further supplementary question, Mr. Speaker. May I ask the Acting Prime Minister whether the government will give consideration to calling fairly early the supplementary estimates of the Department of Finance so we can have some discussion of this matter which I think is of immediate interest.

Hon. Paul Martin (Acting Prime Minister): Mr. Speaker, the hon. gentleman unfortunately could not be here all of yesterday. He

knows some of the problems which I hope today we will be able to resolve.

Mr. R. N. Thompson (Red Deer): Mr. Speaker, my question is a related one directed to the Acting Prime Minister. I am sure all Canadians have been disturbed and concerned about the continuing reports of damage and loss of life that have taken place in the neighbouring state of Alaska. Has Canada offered, or does it intend to offer, any assistance to the tremendous rehabilitation program required in Alaska as a result of the earthquake there?

Mr. Martin (Essex East): Mr. Speaker, perhaps my hon. friend will recall that yesterday the Prime Minister mentioned that he had sent a communication to President Johnson expressing the sympathy of the Canadian people and the Canadian government over the tragic events in Alaska last week end. The Prime Minister indicated in his message that he had expressed Canada's willingness to assist in relieving those tragic events. There has been no response to the communication which the Prime Minister sent to the President.

EXTERNAL AFFAIRS

CYPRUS—TERMS OF REFERENCE OF PEACE KEEPING FORCE

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I should like to direct a question to the Acting Prime Minister in his capacity as Secretary of State for External Affairs. In view of press reports this morning that active fighting has taken place in Cyprus involving troops under the United Nations command, I should like to ask the minister this. If fighting should break out today in Cyprus between Greek and Turkish Cypriots in the area controlled by Canadian troops under United Nations command, just what are Canadian troops under UN command instructed to do?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I am sure my hon. friend, who has a long experience in international affairs, having been parliamentary secretary to my predecessor, will understand that Canada, as a contributing member of the international peace keeping force, will do all that it can, pursuant to the directives of the commander of that force to maintain peace and order, and the good name of the United Nations and that of Canada.

[*Later:*]

Hon. Gordon Churchill (Winnipeg South Centre): I would ask the Minister of National Defence if he can now report to the house on the hospital facilities available to Canadian troops serving in Cyprus under United Nations auspices.

Hon. Paul Hellyer (Minister of National Defence): The situation is as I outlined in response to a previous question by the hon. gentleman and there has been no change since then. I understand an offer has been made by the Austrian government to supply a hospital unit for the peace keeping force, but no decision has yet been taken by the secretary general in New York.

PRIVILEGE

MR. CAOUETTE—REFERENCE TO ARTICLE IN "LE SOLEIL"

On the orders of the day:

[*Translation*]

Mr. Real Caouette (Villeneuve): Mr. Speaker, I rise on a question of privilege. In a copy of the newspaper *Le Soleil* which has just arrived and more especially in the column of Mr. Amedee Gaudreault, the following report can be read:

> Mr. Real Caouette has no further need for Mr. Robert Thompson's contradictions. On Monday March 16, he stated in the house: "It is understood that we are quite pleased with the decision taken by the government on Friday last (to send troops to Cyprus—

Mr. Speaker, following three or four speeches given in the house, I was only speaking in jest when I said:

> It is understood that we are all quite pleased with the decision of the government.

while actually, I was not pleased at all. I never approved in any way of the sending of troops to Cyprus, and more especially of the manner in which it was done. Moreover, the Secretary of State for External Affairs (Mr. Martin) is aware of it.

Mr. Amedee Gaudreault, like most newspapermen of his ilk has lied barefacedly and utterly.

[*Text*]

TRADE AND COMMERCE

REQUEST FOR SURVEYS OF CONSUMER PRODUCTS

On the orders of the day:

Mr. Barry Mather (New Westminster): Mr. Speaker, I have a question for the Minister of Trade and Commerce, notice of which I have given, but in his absence I should now like to direct it to the Minister of Industry. My question is, in the light of the Canadian Consumers Association survey revealing short-filled cartons of fruit juice and milk products in Toronto, a survey which I understand was undertaken with the co-operation of the government, will the minister consider

initiating or co-operating in similar surveys in other Canadian cities on behalf of Canadian consumers?

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, I am sure the Department of Trade and Commerce will be most willing to co-operate fully in similar surveys elsewhere in Canada.

CROWN ASSETS

CRANBERRY PORTAGE, MAN.—MAINTENANCE OF WATER SUPPLY AND HEATING SERVICE

On the orders of the day:

Mr. Robert Simpson (Churchill): Mr. Speaker, I should like to direct a question to the Minister of Defence Production. In view of the generally apparent interest in the house in obtaining information as to possible assistance to some of these unfortunate disaster areas, I wonder I could get an answer to a question a little nearer to home. In light of the fact that today is the day on which the closing of certain army establishments and the mid-Canada radar line in northern Manitoba takes place I should like to refer to the answer the minister gave me on March 16 in reply to several questions I asked concerning the plight of the people at Cranberry Portage, Manitoba. At that time the minister said:

> A representative of the Department of Defence Production is going to Manitoba to ensure that the necessary arrangements for the interregnum are made.

Does the minister realize that as of today some of the essential services of this community are being cut off, particularly the water service to the new school and the heating service? I am wondering whether the minister can tell us now that the government will take some action to restore these services.

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, I would be very surprised indeed if the hon. member's information is correct that the water supply to the new school has been cut off.

Mr. Simpson: I understand it is.

Mr. Drury: I will check on that right away. I understand that the heat has been cut off to a number of government buildings which will no longer be occupied. I do not think that will concern the hon. member particularly. However, I will check immediately on whether or not the water has been cut off to the school.

Inquiries of the Ministry

DEFENCE PRODUCTION

CANADIAN ARSENALS—PROPOSED SALE OF THREE PLANTS

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I wish to direct a question to the Minister of Industry. Can he tell the house why the government wants to sell three of Canadian Arsenals' main plants, two of which are located in Quebec and one in Ontario?

Hon. C. M. Drury (Minister of Industry): For two reasons, in principle, Mr. Speaker.

First, there are not enough orders for those three plants. Therefore, it will be necessary to dismiss some employees. We also have to dispose of the plants so as to maintain employment.

Besides, the operation of those three plants is very expensive for the government in their present state, and the government wants to avoid those operating costs.

Mr. Pigeon: Mr. Speaker, I should like to ask a supplementary question. When the government sells those plants to private enterprise will there be a clause in the contract providing that the employees working at present in those plants, may keep their jobs?

Mr. Drury: Mr. Speaker, the hon. member can rest assured that the government will do its best, in short anything that it must do, in order to protect the vested rights of the employees.

[*Text*]

THE CANADIAN ECONOMY

STUDY OF ECONOMIC PROSPECTS FOR HALIFAX AND SAINT JOHN

On the orders of the day:

Mr. J. E. Lloyd (Halifax): Mr. Speaker, I have a question for the Minister of Transport. Can the minister advise the house whether the Atlantic development board has been asked to make special studies of the future economic prospects of the ports of Halifax and Saint John?

Hon. J. W. Pickersgill (Minister of Transport): Yes, Mr. Speaker. I was authorized about ten days or so ago by the government to ask the Atlantic development board to have special studies undertaken of the ports of Halifax and Saint John with a view to analysing the problems, particularly the economic problems, confronting those ports and to recommend steps that might be taken by the government of Canada to assure their

economic future. I gave this direction to the board in a letter I addressed to the executive director on March 21 and which there is no reason to keep secret, so I would be glad to table it.

Mr. Thomas M. Bell (Saint John-Albert): May I ask a supplementary question. How will this tie in with the investigation being presently conducted into winter navigation, which has a tremendous effect on Halifax and Saint John?

Mr. Pickersgill: As the hon. member will know, being well informed about these matters, there are two investigations. These investigations are virtually complete and the results, I understand, are being reported to a meeting of the board on April 20. It was because these investigations seemed to point in the direction of a more intensive study of the two ports of Halifax and Saint John that the government took the decision to have this particular study made.

Mr. Bell: May I ask the minister if he has received a request from the Atlantic division of the Canadian Manufacturers' Association to have the Atlantic development board use its resources to find the main causes of the region's lagging economy. If so, what are the thoughts of the board in connection with these charges?

Mr. Pickersgill: The secretary or director—I am not just sure from memory which title he has—of the Atlantic section of the Canadian Manufacturers' Association did me the courtesy of sending me a copy of a letter he addressed to the chairman of the board making a request along the lines the hon. gentleman has suggested. I am very hopeful the board will regard this request favourably.

Mr. Bell: Will the minister assure the house that these charges about a lagging economy will be looked into? Because when the Conservative government went out of power the Atlantic provinces were in good shape.

Mr. Pickersgill: I think the hon. gentleman only needs to look at the comparative employment statistics of a year ago and the present time to see that they are much better now.

Mr. Bell: What about Bell island and Cape Breton?

UNITED NATIONS

DISARMAMENT—CANADIAN ATTITUDE TOWARD PROPOSALS FOR OBSERVATION POSTS

On the orders of the day:

Mr. Andrew Brewin (Greenwood): My question is addressed to the Secretary of State for External Affairs, and he may prefer to answer this question when his supplementary estimates come before the house. Will the Secretary of State for External Affairs inform the house whether the important proposals made, I understand, by the United Kingdom government at the disarmament conference at Geneva for observation posts, some of which are to be in Canada, affect this country and how the government views them?

Hon. Paul Martin (Secretary of State for External Affairs): The question, as my hon. friend said, is one that would lend itself to fuller discussion on the estimates. However, I may say that the proposal is one that Canada supported at the last United Nations general assembly. This proposal is designed to establish observation posts on each side of the iron curtain to eliminate surprise attacks.

UNEMPLOYMENT INSURANCE

INQUIRY AS TO EXTENSION TO COVER TEACHERS

On the orders of the day:

[*Translation*]

Mr. L. P. Antoine Belanger (Charlevoix): Mr. Speaker, I should like to direct a question to the Minister of Labour. Could he tell us whether it is true that the government is considering including the profession of school teacher in the list of eligible occupations under the Unemployment Insurance Act?

[*Text*]

Hon. A. J. MacEachen (Minister of Labour): As my hon. friend knows, the Gill committee made a number of recommendations to increase the coverage of the Unemployment Insurance Act. One group recommended for inclusion was the teachers. This and other matters are under consideration presently by the government.

Mr. Real Caouette (Villeneuve): May I ask a supplementary question of the Minister of Labour. Is the purpose of this recommendation to enlarge the coverage to include professors, or is it to enlarge the field of taxation so the minister can get more money for his unemployment insurance fund?

Mr. MacEachen: The reasons for the recommendation are set out in the report itself. Presumably the committee had in mind the need to maintain the financial position of the fund and to increase the responsibility of dealing with unemployment. This, as I said, is still under consideration and no decision has been reached.

AUTHORITY OF FINANCE MINISTER TO MAKE LOANS TO FUND

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question

to the Minister of Labour. In view of the fact that the present power of the Minister of Finance to make loans to the unemployment insurance fund runs out at midnight tonight, can the minister give us a report on the state of that fund; and is it in a position to meet the calls on it within the next week or two?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, it is my hope that we will be able to deal with the supplementary estimate providing for a loan to the fund within the next short period, so that the fund will be able to bear its responsibilities within the next week or so. At present the reserves are not adequate to finance the benefits beyond a very short time.

Mr. Knowles: As a supplementary question, is the item in the estimates regarding this matter one of those that must be passed fairly soon?

Mr. MacEachen: Yes, Mr. Speaker.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): In that connection, Mr. Speaker, I noticed how careful the minister was when he answered that question, that the authority would be needed—

Mr. Byrne: Question.

Mr. Diefenbaker: I was not speaking of the parliamentary secretary, who was never careful in anything. The question I ask is this. Is it not correct that the fund is in such a position that the government will be able to provide the necessary assistance even if action is delayed for ten days. Is that not correct?

Mr. MacEachen: Mr. Speaker, I certainly do not want to put this in a provocative way, but my information today is that unless the particular item is approved this week, the commission would be in difficulty to make benefit payments by the end of the week.

Mr. Fred F. Stenson (Peterborough): Mr. Speaker, I would like to ask the Minister of Labour if he had the figures at his disposal when he spoke about a week ago in Peterborough and said there was not any unemployment?

Mr. MacEachen: No, Mr. Speaker, not even in Peterborough would I make such an exaggerated statement.

POST OFFICE DEPARTMENT

POLICY RESPECTING CONSTRUCTION OF SMALL POST OFFICES

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): May I direct a question to the Minister of Public Works. Are the small post office buildings which have been constructed in the last few years under the winter works program all over Canada now being erected only in the so-called designated or depressed areas?

Hon. J. P. Deschatelets (Minister of Public Works): I would ask the hon. member to put the question to the Postmaster General who is in charge of the program of building small post offices for this year.

Mr. Nesbitt: Mr. Speaker, then I direct this question to the Acting Prime Minister, and wish to say I would have directed it to the Postmaster General except that unfortunately he is out of the country on business. I direct to the Acting Prime Minister the question which I just directed to the Minister of Public Works. Are the small post office buildings, which have been constructed all over Canada in the last few years under the winter works program, now only being erected in the so-called designated or depressed areas and, if so, when did this policy change?

Hon. Paul Martin (Acting Prime Minister): Mr. Speaker, I shall see that this question is brought at once to the attention of the minister in charge.

Mr. Nesbitt: As a supplementary question, in view of the fact that I received a letter from the Postmaster General this morning stating this was government policy, and since the Postmaster General is not here, is there someone on the government front benches who can answer the question?

Mr. Martin (Essex East): Mr. Speaker, it seems apparent that my hon. friend is satisfied that he already has the reply. If that is the case, then he is out of order in asking for a reply which he has already received. However, I shall try to help my hon. friend, who I know is very interested in this question, and we shall give the answer as quickly as we can.

Mr. Nesbitt: On a point of privilege, Mr. Speaker, the question I asked was if the policy was changed, when was it changed; and since this has always come under the Minister of Public Works previously I directed my question to that minister.

LABOUR CONDITIONS

REVIEW OF FORMULA TO DETERMINE DESIGNATED AREAS

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): I have a question for the Minister of Industry which relates to the formula set by statistical analysis that the government uses to determine designated areas. Has the government

in hand at the moment a review of this formula? Is there any chance at all of it being changed or altered within the next month or two?

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, the question of the criteria has for some time been under consideration. When and if any changes might emerge I would not like to say now.

Mr. Fisher: May I ask a supplementary question. Will the minister tell us if it is worth while for any of the regions or areas that are bothered by the present analysis to come to Ottawa to make any formal presentation of arguments for a change in the designated areas? In other words, I know there are a number of parts of the country concerned over this, and I think they should have an indication as to whether briefs or formal presentations to the minister would do any good.

Mr. Drury: The Department of Industry welcomes advice from whatever quarter it may come. If there are those who are of the opinion that the present criteria are unsatisfactory we would be delighted to hear in what way they might be unsatisfactory and in what way they might be changed.

DOMINION-PROVINCIAL CONFERENCE

INQUIRY AS TO SECURITY MEASURES

On the orders of the day:

[*Translation*]

Hon. Paul Martineau (Pontiac-Temiscamingue): Mr. Speaker, I should like to put a question to the Minister of Justice. Could he tell the house what extraordinary security measures have been taken in connection with the Quebec federal-provincial conference, and why?

Hon. Guy Favreau (Minister of Justice): I do not think any extraordinary security measures have been taken. However, if measures had to be taken, I am sure that the R.C.M.P., knowing as it does what it has to do in such circumstances, took them.

Mr. Martineau: Mr. Speaker, a supplementary question. Has the minister read press reports on this matter, such as the one published in today's Ottawa *Journal* which states:

[*Text*]

Police shadow delegates—conference opens behind unusual security screen.

[*Translation*]

I should like the minister to let me know whether or not extraordinary steps have been taken in respect of that conference.

[Mr. Fisher.]

[*Text*]

Mr. Speaker: I must intervene to point out to the hon. member that I think the question is going beyond the limits.

Mr. Martineau: On a point of order, Mr. Speaker, this second question arises from the statement the minister has just made. Apparently he does not know whether or not some extraordinary precautions were taken, and there are press reports to that effect.

Mr. Speaker: I do not see the point of order.

[*Translation*]

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

Could the minister tell the house categorically whether or not unusual security measures have been taken regarding the federal-provincial conference being held at the present time in Quebec?

[*Text*]

Mr. Speaker: I am sorry, but this question is out of order.

Mr. Martineau: On a point of order, I consider that this is a very important question; and if the minister does not know whether security measures have been taken by the R.C.M.P., which comes under his jurisdiction, then the least he could do, I submit, is to find out and give that information to the house.

Mr. Speaker: I suggested that the question was out of order because in my opinion it was an argumentative question, and I think that has been demonstrated this afternoon.

Mr. Martineau: May I say that in my opinion it is not an argumentative question but a question of fact. We want to know whether or not extraordinary measures were taken. Surely the minister can answer that question.

[*Translation*]

Mr. Favreau: Mr. Speaker, while the question is out of order, I should like to point out that even if I answered it by yes or no, in either case the public interest would not be served, quite the contrary.

Mr. Ricard: Mr. Speaker, does that answer of the minister mean that when he answered the hon. member for Pontiac-Temiscamingue (Mr. Martineau) a few moments ago, he did not know whether or not measures had been taken and that he has just received information in that regard?

[*Later:*]

Mr. Martineau: Mr. Speaker. I rise on a question of privilege as a result of the answer given by the minister.

My question of privilege is this. Must we accept the minister's answer to the effect that it is not in the public interest that the house be given information in regard to a question of general interest? In my opinion his answer denotes arrogance towards the house.

[*Text*]

Mr. Speaker: Order, please. The point at issue is a point of order, not a question of privilege. It seems to me that if the hon. member has any definite facts which should be brought to the attention of the Minister of Justice, it is his duty to do so. But if it is just a general inquiry I think we are right to assume that the local authorities are taking all precautions.

Mr. Martineau: I am very glad to furnish definite facts, because definite facts have been published in the newspapers.

Mr. Pickersgill: It is against the rules to read newspapers—

Mr. Martineau: Mr. Speaker himself has asked for definite facts and here is what is stated: "There are dozens of plainclothes police from the R.C.M.P.—

Some hon. Members: Order.

[*Translation*]

Mr. Favreau: Mr. Speaker, before the hon. member—

[*Text*]

Mr. Martineau: I am speaking on a point of order, and I think on my point of order I should have the right to explain—

Mr. Speaker: May I ask the hon. member if he is prepared to take responsibility for the report as published in the newspaper?

Mr. Martineau: You have yourself asked me if I had any definite facts, and there are reports of definite facts in the newspaper. I am asking the minister whether or not special precautions have been taken. Surely the minister can say whether that is so, and if it is so I think this house is entitled to know why. That is all I am asking of the hon. gentleman.

[*Translation*]

Mr. Real Caouette (Villeneuve): Mr. Speaker, about the point of order, I think that the questions asked by the hon. members for St. Hyacinthe-Bagot (Mr. Ricard) and Pontiac-Temiscamingue (Mr. Martineau) are unbelievably stupid.

If measures have to be taken in Quebec at this time, I feel that the federal government as well as that of the province of Quebec should assume their responsibilities. Neither the hon. member for Pontiac-Temiscamingue nor the hon. member for St. Hyacinthe-Bagot should worry about that now. They should stop wasting the time of the house with such stupid questions.

Mr. Martineau: Mr. Speaker, I feel that the hon. member for Villeneuve has not added anything to the point of order that I raised.

Unfortunately, the house still completely ignores how matters stand and the reason given by the minister is worthless, because it has already been published in the press that special measures had been taken. In my opinion, if in the public interest these measures should not be disclosed they should not have been published in the press.

Since these measures have already been publicly discussed, I feel that the house has the right to be advised of the nature of these measures.

[*Text*]

Some hon. Members: Hear, hear.

Mr. Speaker: This is really developing into an argument. May I state the opinion of the Chair, that I refuse to believe that law and order has broken down in the province of Quebec.

Some hon. Members: Hear, hear.

[*Translation*]

Mr. Ricard: Mr. Speaker, I rise on a question of privilege and ask your protection so that when we are speaking we will not be interrupted by the hon. members opposite who are trying to prevent us from expressing our opinions or raising objections.

Some hon. Members: Oh, oh.

Mr. Ricard: You see, Mr. Speaker. Consequently I am asking you to grant us the protection to which we are entitled. We only ask for bare justice, nothing more.

[*Text*]

Mr. Alexis Caron (Hull): Mr. Speaker, I interrupt to ask hon. members opposite to follow your orders and take the responsibility for what they say.

Mr. Speaker: In the spirit of Easter I am going to call upon the hon. member for Brandon-Souris.

FINANCE

EFFECT OF SALES TAX ON RETREAD TIRE INDUSTRY

On the orders of the day:

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, I have a question for the Minister

of Finance or, in his absence, the acting minister. Is the government aware that the imposition of a sales tax on the retread tire industry is seriously threatening the financial solvency of this important small industrial activity?

Hon. G. J. McIlraith (Acting Minister of Finance): Mr. Speaker, I shall take that question as notice.

PREVENTION OF PROFITEERING FOLLOWING EXCISE TAX INCREASE

On the orders of the day:

Mr. J. E. Pascoe (Moose Jaw-Lake Centre): Mr. Speaker, I have a question for the Acting Minister of National Revenue. With the imposition by the government tomorrow, April 1, of the 8 per cent tax on building materials and production machinery, what steps are being taken by the government to ensure that the increased tax is not charged to purchasers of materials stockpiled or in store prior to April 1?

Mr. Speaker: I think this question was asked yesterday.

Mr. Martineau: On a point of order, I think the minister was about to make a reply. The question was asked yesterday but no reply was given, because the minister was absent.

Hon. G. J. McIlraith (Acting Minister of Finance): The minister was not absent yesterday, but this question was asked and dealt with at that time.

AIRPORTS

EDMONTON—POSTPONEMENT OF FEES FOR DEPARTMENTAL SERVICES

On the orders of the day:

Mr. Terry Nugent (Edmonton-Strathcona): Mr. Speaker, I have a question for the Minister of Transport. Will the minister postpone the collection of fees from the city of Edmonton for departmental services at Edmonton industrial airport, due to start tomorrow, in view of the request of the mayor of Edmonton for consultation on this problem?

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, I had not been aware there had been any such request. Of course if the mayor of Edmonton has made a request of that sort I will give it the most careful consideration.

NATIONAL CAPITAL COMMISSION

OTTAWA—OPENING OF WESTERN SECTION OF QUEENSWAY

On the orders of the day:

Mr. Lloyd Francis (Carleton): Mr. Speaker, may I direct a question to the Minister of Public Works. Can he inform the house what is the latest date on which the western section of the Queensway in Ottawa will be open for traffic, and is it the responsibility of the national capital commission?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, the westbound traffic lane was scheduled for opening last October and the eastbound section was to have been completed shortly afterward. Unfortunately these deadlines were not met because of the contractor's delay in completing his work. It is expected that the section will be completed some time in May.

May I add that there is a committee known as the Queensway committee, composed of representatives of the province of Ontario, the N.C.C., the city of Ottawa and the public works department. This, of course, is a cost sharing project, and this committee meets at least once a month. This is our only responsibility in this project, and I wish to emphasize that unless something unexpected happens this section will be opened around May 15.

INDUSTRY

URANIUM CITY, SASK.—REQUEST FOR EXTENSION OF STOCKPILING PROGRAM

On the orders of the day:

Mr. A. C. Cadieu (Meadow Lake): I had a question for the Prime Minister, but in his absence perhaps the Acting Prime Minister will take it as notice. What plans, if any, has the government for preventing Uranium City from becoming a ghost town? Will the government consider extending its stockpiling program and use the uranium mines at Uranium City for this purpose as well as those at Elliot Lake?

Hon. Paul Martin (Acting Prime Minister): I will do as the hon. member suggests and take this question as notice.

PETERBOROUGH, ONT.—REPORTED REMOVAL OF PLANTS TO U.S.

On the orders of the day:

Mr. Fred F. Stenson (Peterborough): Thank you, Mr. Speaker. I should like to direct my question to the Minister of Industry and ask whether he would go to Peterborough or send one of his deputies to meet the Fisher Gauge people and persuade them to stay in Peterborough rather than go to the state of New York—

An hon. Member: Is that a question?

Mr. Stenson: Yes.

An hon. Member: Are you a Speaker?

Mr. Stenson: —to which they are at the present time negotiating to move part of their business because of the tax being imposed on production machinery.

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, I have already paid one visit to Peterborough. I will undertake, on behalf of the Department of Industry, to see that whatever persuasive efforts we can employ will be used to encourage the Fisher people to remain in Canada.

Mr. R. A. Webb (Hastings-Frontenac): Mr. Speaker, I should like to direct a question to the Minister of Industry and ask whether he is aware that Outboard Marine and Manufacturing Co. of Canada, located in Peterborough, Ontario, has stated that it will now be necessary to move the production of their snowmobiles to the United States because of the government-imposed tax on production machinery.

Mr. Drury: No, Mr. Speaker.

VETERANS AFFAIRS

EXTENSION OF HOSPITAL INSURANCE TO VETERANS HOSPITALS

On the orders of the day:

Mr. W. H. Jorgenson (Provencher): I had a question for the Minister of Veterans Affairs but in his absence perhaps the Acting Prime Minister would deal with it. Would the Acting Prime Minister give consideration to the possibility of making appropriate arrangements for payment under hospitalization schemes for those veterans who require to enter veterans hospitals and who do not qualify for admittance under the terms of the veterans charter?

Hon. Paul Martin (Acting Prime Minister): I think that question is one for the order paper. However, since it has been asked I will bring it to the attention of the appropriate minister.

INQUIRIES OF THE MINISTRY

On the orders of the day:

Mr. John R. Matheson (Leeds): May I ask the Secretary of State for External Affairs what protection is available for the esteemed hon. member for Qu'Appelle should war erupt between the Soviet union and red China?

Mr. Frank Howard (Skeena): Mr. Speaker, I do not know to whom I should direct this question, but perhaps the Acting Prime Minister would be the appropriate person. I should like to ask him, or whichever other hon. gentleman might be able to supply the information, which of the members of the cabinet will be appointed as acting prime minister for tomorrow, in view of the significance of that date.

Mr. Churchill: The Minister of National Defence.

Hon. Paul Martin (Acting Prime Minister): Mr. Speaker, in view of the character of the question I think it had better go unanswered.

TRANSPORT

APPLICATION OF REPORTED INCREASE IN WHARFAGE RATES

On the orders of the day:

Mr. Frank Howard (Skeena): I should like to direct a question to the former acting prime minister, the Minister of Transport; and perhaps in view of the fact that today is the fifteenth anniversary of Newfoundland's entry into confederation, it might have been more appropriate if the hon. gentleman had been acting prime minister today.

I should like to ask the hon. gentleman a question arising out of an answer he gave on March 26 with regard to regulations with respect to wharfage rates. At that time the minister indicated that there were, as he put it, certain administrative difficulties which had been encountered, and that clarification of these difficulties was being proceeded with. I wonder whether these administrative or other difficulties have now been resolved, and whether the minister can indicate what is the effect of the new wharfage rates as they apply to fishermen.

Hon. J. W. Pickersgill (Minister of Transport): I apologize to the hon. gentleman for not having spoken to him about this matter yesterday, as I intended, but he will understand that in that never-never land of yesterday it was difficult to do so. Perhaps I could answer today that the administrative problem which I found it a little difficult to explain fully until I had had a rather detailed explanation was that there were certain of these wharves—I believe you call them floats in Prince Rupert—which were used not merely for loading and unloading fish but also for tying up fishing boats and were also being used for tying up pleasure boats, which congested them, and there were some quite serious administrative problems.

As for the particular case to which the hon. gentleman referred, I have a note here that the floats in which the co-operative was interested in Prince Rupert have been offered to the city of Prince Rupert on a nominal rental basis. I should not say this without being sure, but I believe it is a dollar a year. If the city takes them, any arrangement regarding use or charges would then be a matter between the city and the fishermen.

I am told the city is interested. If the city is not interested, then the department is prepared to offer them to the co-operative on the same nominal fee basis, so the problem would not arise at all. I can assure the hon. member that any vessel which merely unloads is not charged any dues in accordance with the regulations.

LABOUR CONDITIONS

PROSPECTIVE LAY-OFFS AT POINT EDWARD NAVAL BASE

On the orders of the day:

Mr. Speaker: Orders of the day. The hon. member for Cape Breton South.

Some hon. Members: Orders of the day.

An hon. Member: Carried.

Mr. Speaker: If the hon. member does not care to ask his question, I will call upon another hon. member.

Mr. Donald MacInnis (Cape Breton South): Mr. Speaker, on a question of privilege—

Some hon. Members: Oh, oh.

Mr. MacInnis: I intend to proceed with the question of privilege when order is restored in the house. If necessary I will stand here until that order is given to me.

Some hon. Members: Oh, oh.

Mr. MacInnis: My question of privilege in this case is that any time I rise, members on the opposite side of the house are quick to come to the assistance of the Chair and continue to make remarks from their seats, and I think as a member of this house I am as entitled to the floor as hon. members on the opposite side, who seem to get it without the recognition of the Chair.

Some hon. Members: Hear, hear.

Mr. MacInnis: The question I wish to ask the Minister of Labour is this. What progress has been made in providing alternative employment for the men to be laid off at the Point Edward naval base in Sydney?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, I have dealt with this question several times, and today I have nothing to add to what I have already said. When further information is available I will be glad to advise my hon. friend.

Mr. MacInnis: A supplementary question to the Minister of National Defence. Would the Minister of National Defence make the house aware of the meeting which took place with a delegation from Sydney which returned to that city quite optimistic about future developments at that base? Would he now reveal to the house just what this delegation did get from the minister on that occasion.

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, I think this question has already been dealt with. We did receive a delegation, which was most understanding of our problem as we were of theirs. We indicated to them that every effort is being made to find an alternative use for the base and the facilities there, and to assist in finding job opportunities in the community. We also indicated that these matters are being pursued with diligence by the Department of Labour and other departments of government.

Mr. MacInnis: A further supplementary, Mr. Speaker.

An hon. Member: Oh, no.

Mr. MacInnis: Both the Minister of Labour and the Minister of National Defence have, on every occasion this question has been asked—

Some hon. Members: Order.

Mr. Speaker: Order. Is the hon. member about to debate the question or does he want to ask a question?

Mr. MacInnis: Given the opportunity, Mr. Speaker, I will draw to your attention that on the last three occasions this particular question was asked—

Some hon. Members: Order.

Mr. MacInnis: —you yourself ruled it out of order because there was no national importance and no emergency in the question. I would, however, draw to your attention that this afternoon you have permitted questions on highways, and you have permitted a joker on the front bench of the Liberal party to make remarks.

Mr. Speaker: Order. The hon. member is quite right in saying that considerable leeway has been given this afternoon. It was given for the deliberate purpose of trying to create a new spirit in this house in order to get on with the business before the house.

Mr. MacInnis: Then let us have it on both sides of the house, instead of just one.

ADMINISTRATION OF JUSTICE

EMPLOYMENT OF COUNSEL FOR CROWN CORPORATIONS

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Minister of Justice.

Is the selection of lawyers acting for certain crown corporations based on political considerations?

Hon. Guy Favreau (Minister of Justice): The answer is no, Mr. Speaker.

[*Text*]

SUPPLY

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

The Chairman: Order. House again in committee of supply; supplementary estimates (E) for the fiscal year ending March 31, 1964.

DEPARTMENT OF AGRICULTURE

1e. Departmental administration—to extend the purposes of vote 1 of the main estimates for 1963-64 to include the gift detailed in these estimates and to provide a further amount of $60,000.

Mr. Hays: Mr. Chairman, when the house rose last evening I was dealing with a question from the hon. member for Kent (Ont.) in connection with butter exports. He had referred to the fact that the United Kingdom had made some increases in its butter import quota this year, and he wanted to know whether we would be participating in that trade.

The situation is that in April, 1962 when the United Kingdom butter market was seriously depressed under very heavy imports, the government of that country placed butter imports under quota and gave quotas to the regular supplying countries. Canada is not a regular commercial supplier of butter to the United Kingdom, and indeed the price of butter in this country does not permit Canadian exporters to engage in competitive world trade at world prices.

However, last fall when there was a temporary shortage of butter in the United Kingdom the government of that country issued a special open quota, and Canada was able to participate in this to the extent of some 5½ million pounds, at of course considerably subsidized prices. There has, as the hon. member stated, been a minor increase in United Kingdom quotas this year to regular suppliers. If these countries are not able to meet their quotas, or if a shortage should develop in the United Kingdom, we would hope that Canada would again be able to participate in some business, as we did last fall.

In addition to butter, we have been able to dispose of some 18 million pounds of butter oil, including 4½ million pounds to the United Kingdom. I can only add that we are actively endeavouring to secure additional outlets for the heavy accumulation of butter since 1957, and there are some encouraging prospects that more trade will develop.

Yesterday, in dealing with milk prices, which was a matter raised by the hon. member for St. Hyacinthe-Bagot, I quoted some milk prices which I had secured by telephone from plants in his area for 1963 and 1964. There is a variety of sources from which milk prices might be secured and a variety of bases on which these might be quoted. So far as I am aware the only official record is that issued by the dominion bureau of statistics, which quotes average prices for each month basis f.o.b. farm. These d.b.s. monthly figures for the province of Quebec in 1962 show a range of from $2.60 per cwt. to $2.84 per cwt. for manufactured milk. The same statistics for 1963 show a range of prices from a low $2.63 per cwt. to a high of $2.92 per cwt. In every case from the month of May 1963, when the new support program was instituted, to the month of December 1963 the d.b.s. figures show a higher price in 1963 than in the equivalent month of 1962.

[*Translation*]

Mr. Vincent: May I direct a question to the Minister of Agriculture?

[*Text*]

Mr. Hays: After I am through I will be glad to answer any questions. The hon. member wanted me to answer these questions the other day, and if he will give me time I will be glad to answer all the questions which were asked. This difference ranges from a low of 2 cents per cwt. to a high of 11 cents per cwt. Without taking the time of the house to read these figures I will place them on the record. I should add that these figures include all the subsidies paid by the government, and I should like to table these figures issued by the dominion bureau of statistics covering January to December in years 1962 and 1963.

Mr. Vincent: There is no provision for that.

Mr. Hays: These figures include all the subsidies.

The Chairman: Is it the wish of the committee that the figures now supplied by the minister be printed as an appendix to *Hansard*?

Mr. Diefenbaker: Might I ask whose figures these are?

Mr. Hays: These are all dominion bureau of statistics figures.

The Chairman: Is it agreed?

[*Translation*]

Mr. Vincent: Mr. Chairman, yesterday I made exactly the same request; I asked for some documents to be printed in appendix to *Hansard,* but my request was rejected.

[*Text*]

The Chairman: The hon. member knows it is not customary for *Hansard* to publish copies of letters and documents of the type the hon. member wanted to table. What he suggested at the time was that the documents to which he was referring be tabled, and I advised the hon. member that there was no provision under our rules to table that type of document. They could be tabled in the sense that they could be put at the disposition of other hon. members, but what the minister is now asking is that these figures be printed in *Hansard* as an appendix, and that can be done with consent of hon. members.

Mr. Hays: As part of my speech.

The Chairman: Yes, of course, as part of his speech. Is it agreed?

Some hon. Members: Agreed.

[*Editor's note: The figures referred to above are as follows:*]

Milk Prices for Ice Cream Mix and Concentration f.o.b. farm—Quebec

	1962	1963	1964
January	2.80	2.81	Not
February	2.80	2.75	available
March	2.73	2.80	
April	2.63	2.67	
May	2.64	2.66	
June	2.63	2.65	
July	2.60	2.63	
August	2.63	2.72	
September	2.73	2.74	
October	2.80	2.83	
November	2.84	2.92	
December	2.70	2.81	

Dominion bureau of statistics figures.
Includes all subsidies.

Mr. Hays: While official d.b.s. figures are not available for 1964, the record which the department has from certain individual plants indicates that prices so far this year have been higher than at the same time a year ago.

There were some questions about ARDA. The member for Pontiac-Temiscamingue suggested that I had taken credit for ARDA. I am not aware that I have ever done this, either in the house or elsewhere. Indeed, both here and outside the house I have given credit to the previous government for several pieces of agricultural legislation including ARDA, the Farm Credit Act, the Agricultural Stabilization Act. What I have said is that any impression that this government has been dragging its feet on ARDA is not correct, and to illustrate that I gave figures in the house on March 26 on the value of ARDA contracts entered into before and after May 1, 1963.

Here again I have these figures and I should like to place them on record for hon. members. Up to May 1, 1963 the value of ARDA contracts amounted to $2,185,000. Since May 1, 1963 to the present they amount to $11,094,456. This is the amount of contracts under ARDA since May 1, 1963.

The hon. member for Joliette-L'Assomption-Montcalm requested that we take steps to encourage agronomists from Quebec to come to Ottawa. I can assure him that I share his hope in this respect and I am very pleased, as I know he will be, that in a recent civil service competition for the position of director of the department's plant products division the successful applicant was a very valued and highly respected officer of the department who for some years occupied the position of district supervisor of the plant products division in the province of Quebec.

The hon. member also urged that attention be given to the matter of agricultural research in Quebec. He will recall that in my statement on the department's main estimates last year I indicated that it was our intention to establish a new agricultural research labratory in association with the agricultural faculty of Laval University in Quebec. This is being done in close association with the Quebec department of agriculture and with Laval University, and I am pleased to be able to inform him that the arrangements are going forward. I am also pleased to inform the hon. member that we are now at the point of securing title to additional land for the horticultural research station which the department is developing at St. Jean, Quebec.

The right hon. Leader of the Opposition suggested that employees of the animal diseases research institute in Hull had had to wait five weeks for their pay cheques, and inquired whether this was because of any uncertainty as to which department they came under. I am sure the right hon. gentleman will appreciate that there has never been any suggestion that the department's health of animals branch would not remain in the Department of Agriculture. The delay to which he refers has nothing to do with regular pay cheques. Recently salary increases were authorized for certain prevailing rate classes, retroactive to October 17 last. Because of recent changes in pay office procedures with regard to this group of people there has been some delay in issuing the cheques to them covering the increased salaries for the retroactive period. However, I am informed that these cheques either have now gone out or will be going out very shortly.

On Thursday last I made reference to the recent approval by the government of certain construction grants administered by my department, and on reading *Hansard* I note

that there is some possibility of misunderstanding in connection with my remarks. I should not like to mislead anyone and therefore I should like to make it clear that I was referring not solely to cold storage construction grants but rather to the group of construction grants which includes those for cheese factory amalgamation, curing room construction and potato warehouse construction. You may remember that I said it seems to me we should take a whole new look at cold storage facilities so that they will better serve those who require these facilities.

Within the last few months about 12 grants have been approved and another six are being processed. Up until the time the government authorized these grants the three programs had been largely suspended since June of 1962.

Some members asked about farm credit and crop insurance legislation. I think the house has been informed of the intention of the government to bring in amending legislation to these two statutes, and I referred to this in my statement in the debate on the main estimates of the Department of Agriculture for 1963-64. I think hon. members will appreciate that I am not at liberty at the moment to disclose the precise nature of the amendments which will be proposed to the house but these, of course, will be made known when the legislation is introduced. I think it will be found, however, that the amendments to be introduced will strengthen these two very important statutes.

The hon. member for Villeneuve raised the matter of assistance to young farmers to become established in farming, and assistance in the consolidation of old farms. Loans made under part III of the Farm Credit Act are designed primarily to assist young farmers to become established in farming. During the past two fiscal years the corporation has approved 431 loans—

The Chairman: Order. I hesitate to interrupt the minister but his time has expired.

Some hon. Members: Carry on.

Mr. Pigeon: We are so happy to see you in the house, so go on.

The Chairman: Is it agreed?

Some hon. Members: Agreed.

Mr. Fane: He has a lot of time to make up.

Mr. Hays: I will repeat what I was saying. Loans made under part III of the Farm Credit Act are designed primarily to assist young farmers to become established in farming. During the past two fiscal years the corporation has approved 431 loans under part III in the province of Quebec for a total amount of $8,475,500. In Canada as a whole the number of loans under part III has been 1,083 for a total of $21,290,200 during the same period. In other words, about 40 per cent of the loans made by the corporation under this section of the act to establish young farmers have been made in the province of Quebec.

In addition, the Quebec farm credit bureau makes loans to establish young farmers. During the same two-year period they have approved over 2,100 loans for this purpose, for a total amount in excess of $19 million. It is worth noting also that, of the total funds advanced by the Farm Credit Corporation under its total lending program, about 52 per cent is used for the purchase of land, either in the establishment of new farming enterprises or in the consolidation of farm units.

The hon. member for Kent commented on the support program for two crops in which his area specializes, namely soybeans and sugar beets. The support program for the forthcoming year for both of these commodities is under study by the agricultural stabilization board and it is expected that their recommendations will be made shortly. In the meantime it should be pointed out that the current support price for soybeans is the highest that has ever been in effect and is set at 100 per cent of the base price.

While sugar beets produced during 1963 were supported at the highest percentage ever in effect, namely 109 per cent of the base price, it is not anticipated that returns to producers will fall to the support level. I am sure that hon. members will be interested to know that in Ontario the growers last year received an average of $15.58 per ton for their sugar beets, all of which was paid to them by the processors, compared with a total of $11.58 in the previous year, of which $3.08 consisted of government payments, both federal and provincial. In this connection it should be noted that the payments received in any one year refer to the return on beets harvested in the fall of the previous year.

Reference has been made by the hon. member for Lethbridge to the sheep industry and to the effect that the importation of lamb has had on the price of the Canadian product. In this connection it should be noted that of the total imports of lamb and mutton into this country during the first two months of this year approximately 74 per cent was in the form of boneless mutton which is used for manufacturing purposes, and thus does not compete with lamb on the domestic market.

I might say in this connection that I am sure some of our government reports are a

little misleading. To avoid this we are now designating the amount of mutton that is coming in in the form of boneless meat, and also lambs, so there will be a truer picture in so far as the producers are concerned.

Government assistance to the sheep industry at present takes three forms: A quality premium on sheep and good lambs which in 1963 totalled just under $579,000; a wool deficiency payment based on a support price of 60 cents per pound for certain grades, with the payment on the 1962 crop being just over $704,000; in addition, lambs are supported by a deficiency program based on a national average support price of $18.80 per 100 pounds for good lambs.

The hon. member also made reference to investigations into promotional programs and investigation into marketing procedures. I understand that the sheep industry has recently formed a national sheep council. One of the principal objectives of this organization will be, I believe, the promotion of sheep and wool, and I can assure hon. members that my department will be pleased to co-operate with this organization in any way possible.

The hon. member for Nicolet-Yamaska referred to hide prices and requested the reason for the difference between the prices quoted for hides by the dominion bureau of statistics and the prices received by farmers in his area. I regret that I have not yet been able to get information to clarify this matter entirely. I will however have the inquiry pursued. In the meantime I am informed that the dominion bureau of statistics quoted price is based on what are called salted hides, which are hides that have gone through certain stages of preparation prior to tanning and are of a certain standard of quality. While without further information it is impossible to account completely for the differences quoted by the hon. member, it is entirely possible that differences in quality, methods of preparation and distance from markets may account for much of the price difference.

Several hon. members inquired as to cattle and hog prices in Canada over the past several years, and also exports of live cattle. I have the material here, along with certain additional information concerning imports and comparable prices in the United States. Since this is rather voluminous, and in order to save the time of the house I would suggest that it might be better to have the table included in *Hansard* with my statement.

Basically it shows that, while prices for cattle are at present somewhat lower than they have been since 1961, they are strengthening and at present are above the figure for the comparable period in 1960. In both Canada and the United States cattle prices have dropped from the high levels of 1962 and prices in the United States of course have an impact on values in Canada.

Hog prices show much the same picture, with the differences in general being smaller and with the present accumulated price being considerably higher than the price in effect in 1960. I have all the figures as to the prices in 1960, 1961, 1962 and 1963 and up to this time in 1964 for two grades of cattle, choice steers and good steers, for Canada and the United States, and the hog prices as well. I should like these figures to go along with my statement. They might be included in *Hansard* which would save me having to go over them. Otherwise I should like to read them.

The Chairman: Is it agreed?

Mr. Diefenbaker: In so far as the figures are concerned there is no objection. However, the minister also said that he has included in these tables his observations thereon. Any observations he should read.

Mr. Hays: There are no observations, Mr. Chairman.

[*Editor's note: The tables above referred to are as follows:*]

Cattle and Hog Prices

Cattle

1. Prices

(A) Choice steers		Toronto	Calgary
Average price	1960	$23.75	$21.85
Average price	1961	24.20	21.75
Average price	1962	27.20	25.60
Average price	1963	25.00	23.25
Average price Jan.	1964	22.91	20.96
Average price Feb.	1964	23.54	21.19
Average price Jan.	1960	23.73	21.62
Average price Jan.	1961	24.76	22.42
Average price Jan.	1962	26.62	24.20
Average price Jan.	1963	26.02	23.63
Average price Jan.	1964	22.91	20.96
Average price Feb.	1960	22.84	20.83
Average price Feb.	1961	24.32	21.95
Average price Feb.	1962	25.18	22.86
Average price Feb.	1963	24.26	22.28
Average price Feb.	1964	23.54	21.19
(B) Good steers			
Average price	1960	22.65	20.65
Average price	1961	22.75	20.80
Average price	1962	25.75	24.15
Average price	1963	23.65	22.10
Average price Jan.	1964	21.83	19.91
Average price Feb.	1964	22.11	20.30
Average price Jan.	1960	22.77	20.48
Average price Jan.	1961	23.50	21.51
Average price Jan.	1962	25.17	23.15
Average price Jan.	1963	24.55	22.88

(B) Good steers	Toronto	Calgary
Average price Jan. 1964	21.83	19.91
Average price Feb. 1960	21.73	19.65
Average price Feb. 1961	23.00	21.16
Average price Feb. 1962	23.83	21.75
Average price Feb. 1963	22.96	21.53
Average price Feb. 1964	22.11	20.30

2. Exports of live cattle; calves; dressed beef and veal

(A) To U.S.A.	1963	1962	1961	1960
Live cattle (head)	236,877	448,471	466,591	238,451
Live calves (head)	35,194	36,451	28,699	30,529
Beef and veal (lbs.)	17,228,300	19,726,000	29,033,800	17,987,000

(B) To all Countries	1963	1962	1961	1960
Live cattle	243,261	455,686	474,319	242,142
Live calves	35,308	36,550	28,820	30,712
Beef and veal	19,920,000	21,757,000	31,239,700	19,971,000

3. Imports of fresh and pickled beef and veal

	Pounds[2]
1963[1]	37,409,400
1962	35,469,567
1961	28,896,240
1960	29,075,626

[1] Preliminary

[2] About 50% from U.S.; about 28% from New Zealand; about 15% from Australia; balance from various.

Annual average price choice steers, Chicago

1960	$26.24
1961	24.65
1962	27.67
1963	23.95

Monthly average price choice steers, Chicago

	1960	1961	1962	1963	1964
January	$26.42	$27.42	$26.39	$27.27	$22.61
February	26.69	26.17	26.76	24.93	22.10

Hogs

1. Prices

Annual weighted average price of grade "A" (for Canada)

1960	$23.91 per cwt.
1961	27.20 " "
1962	28.29 " "
1963	27.30 " "
1964 (to Mar. 14)	26.10 " "

2. Export of pork products—pounds

	To U.S.A.	To all countries
1960	40,475,000	64,307,700
1961	38,661,400	49,432,800
1962	40,693,400	44,547,000
1963	40,534,800	43,687,000

3. Imports of pork products

	From U.S.A.	From all Countries
1960	17,012,573	17,060,791
1961	40,630,362	40,653,170
1962	34,399,034	34,463,497
1963[1]	78,436,000	78,437,800

[1] Preliminary

Those are about all the questions that were asked, I believe, Mr. Chairman. I should like to summarize what I have been saying for just a moment. It seems to me that someone asked about policy in so far as agriculture is concerned. I should like to assure hon. members that any policies that are good for the farmer will not be torn down. We are going to improve them if it is at all possible.

Shortly after the war, in 1946, I met a group of agriculturists in the city of Buenos Aires. They asked me, what do you think Argentina is famous for? I think probably every person in the world would have no problem in saying Argentina is famous for the production of beef. I asked them, in turn, if Argentina is famous for the production of beef, for what is Canada famous? They said paper and pulp, wheat and dairy cattle. This rather impressed me because you can ask the same question of anyone today in about 30 countries and you will receive the same answer.

It seems to me that any agricultural policy we formulate should have due regard for our geographical position. We have 482,000 farmers in Canada who are vigorous, who have a lot of get up and go. I think they could be producing a good many lines of seed stock that are required around the world, not only for livestock but for grains and vegetables. I believe this is the sort of thing that should be considered in any policy we establish. What has happened to our hog production in Canada in the last seven to ten years? We know the job that the Danes have done with their hog

production and their famous bacon. We know that with the same amount of feed they have a return of $4 more per hog, and when you multiply this by approximately 140,000 hogs produced in Canada each week and then multiply that by the number for the year you will realize that our farmers are losing between $30 million and $40 million a year.

I could go on to deal with other products. I believe that we, in Canada, have a job to do in so far as efficiency is concerned. We should remember that a yield of two more bushels per acre gives our farmers $100 million more. In so far as swine are concerned we have a job to do, the same as we have done in connection with dairy cattle, which are in demand all over the world. I believe that it should be our policy to harness these 56 experimental stations we have in the research department that are doing an excellent job. We should also harness all these exhibitions, so that we can tie up every group and perhaps direct them into producing seed stock for the rest of the world. I look forward to the year 1964. We know that 1963 was a record year for agriculture, and we face 1964 with hope. We know that climatic conditions may change the results for any year, but we are looking forward to having the biggest year we have ever had in 1964.

Mr. Pickersgill: There was one question which I thought perhaps I might answer because I think it was more properly directed to the statement I made the other day than to the statement made by my colleague, the Minister of Agriculture. Perhaps I might dispose of that particular question if the hon. member for Provencher would not mind.

Yesterday the Leader of the Opposition said, as will be found in *Hansard* at page 1572:

> —as yet we have had no information as to what actually took place during those 17 days.

This was from February 3 to February 20.

> In particular, we want to be furnished with a record of all the directives and orders made by the Minister of Agriculture between those two dates in connection with the branches which were transferred to the Minister of Forestry.

The right hon. gentleman, on Thursday, as recorded on page 1520 of *Hansard*, made a reference to this matter in these terms:

> I think they will have to pass an order in council to ratify what was done.

This was at the very conclusion of what he had to say.

> Indeed, when they have done that they will have to come before the house and ask, and they will receive—ask and ye shall receive—forgiveness for what they did and legalization for what they ought not to have done.

Now, sir, I did in the observations I made last Thursday give all the information that the officials had been able to gather for me or that I had been able to gather for myself on this particular point. Up to that time research had indicated that the only thing the minister had done personally, in his personal capacity in respect of those things under the order of February 3 that had been transferred to the Minister of Forestry, was to sign those eight ARDA agreements. Of course, the officials had proceeded under the authority given to them by the minister to do the things that are normally done in the department. I indicated also that happens in every case of the transfer of duties. It also happens in every case of the transfer of ministers. I have a good many examples I could give. I do not believe anyone has ever maintained there is anything illegal about that. Government would be paralysed if the authority given by one minister was not valid until a new authority had been signed by another minister. I think everyone with any experience in government knows that.

Mr. Diefenbaker: That is quite different from the situation here.

Mr. Pickersgill: In the case of the transfer of duties of the travel bureau, which I think was the last case under the government of the right hon. gentleman, 77 days elapsed between the passing of the order and the completion of all these authorizations. There is, therefore, nothing unusual in these matters at all.

However I believe the government owes a most complete explanation to the house about this matter. I have no hesitation in saying that the government is responsible to the House of Commons. I have always maintained this doctrine from both sides of the house, and have done my utmost to uphold it. I am going, right here and now, to ask my colleague the Minister of Justice if he will have the officers of his department look at the whole record of this period very carefully. It will not be completed within a day or two, but I doubt if it will take very long. I am going to ask him if he will have them do this with the utmost diligence. If the house will allow us, we would then do what the right hon. gentleman has said, and that, is if anything needs to be rectified, we would do our best to rectify it. We would come here frankly and explain what had been done. I hope the minister will feel that he is able to give the undertaking I have suggested.

Mr. Diefenbaker: The observations made by the Minister of Transport are of such a nature that naturally the house will accept his undertaking to do what I believe should have been done earlier. However, that is all past now. I would point out that the suggestion that what has taken place here had any

relationship whatever to the transfer of duties for the tourist bureau is a preposterous statement. In this case there was an entire vesting of the powers over a particular department, or sectors of a department, on February 3. Was there anything done by the Minister of Agriculture during that period of time, until February 20, which would not be legal? If the Minister of Justice will have this looked into in the manner suggested by the Minister of Transport and a report given to the house, that will clarify the situation.

Then there should be legalization of whatever is found to require further action in order to ratify and approve what has been done. I am sure, in the spirit in which the minister has placed the matter before the committee, namely that if wrong has been done and serious error committed the government will ask for forgiveness, then in the spirit not only of Easter, to which reference was made today, but as always in the spirit of this house, we will do our part to assure that what ought not to have been done and was done will be corrected.

Mr. Favreau: In view of the disposition of the committee I shall not ask my colleague, the Minister of Transport, to put his question on the order paper. Rather, I will be glad to give the undertaking immediately to the committee.

Mr. Diefenbaker: It is one of those emergencies.

Mr. Jorgenson: Mr. Chairman, we witnessed today one of those very rare occasions when the Minister of Transport comes before us in sack cloth and ashes and seeks repentance for those things he ought not to have done. The confession made by the minister will considerably shorten my remarks this afternoon, as I was going to make the plea that he give consideration to the government's reviewing of the events of those fateful 17 days and to introducing a remedial measure to take care of the mistakes and errors committed during that period.

We on this side are very pleased to see the Minister of Agriculture in his place today and to hear him make a statement that covered a wide range of subjects. I do not intend to go over all those subjects, but we on this side would like to discuss agricultural policy a little more fully with him, and particularly to discuss those aspects of the department which have a bearing on what can be done to relieve pockets of distress in agriculture, the low income farmers in distressed areas, and those parts of agriculture which are not enjoying the degree of prosperity that agriculture in general is enjoying.

Despite all the statistics quoted to show the agricultural situation is improving, there are always pockets of distress, and most of the branches of the minister's department which could have been helpful in those areas are now transferred out of his jurisdiction. Last night he suggested he still had some 30 odd branches to take care of. He gave the impression that he was tremendously overworked, and that it was going to be difficult for him to keep track of all the problems he would be faced with in administering the branches that remain under his jurisdiction.

He certainly did not take that attitude when he first assumed the portfolio. He was running about the country auctioning bulls all over the place, and never seemed to worry whether the Department of Agriculture had any administrative leadership. But now when he has lost part of his department he suggests there is too much for him to do, and that therefore he was quite agreeable to the transfer of some of his responsibilities.

During the course of this and the preceding session of parliament we have posed a good many questions to the government and have received a variety of answers, but I am beginning to wonder how much we can depend upon the word of ministers when they reply to questions asked by members of the opposition. As recorded at page 3632 of *Hansard* for October 16, 1963 the hon. member for Kootenay West wanted to know where the Minister of Agriculture was on the previous day, when there was a debate in the house on agricultural matters. The Prime Minister replied that the minister and his associate at that time were away in the west, looking after the grass roots, but it turned out that the minister was in Kingston selling bulls. I wonder, are we going to have a continuation of this type of misleading statements and answers to our questions.

Again, as recorded at page 2608 of *Hansard* for July 25, 1963, the hon. member for Qu'Appelle asked the minister whether he could report to the house on the resignation of his acting assistant deputy minister, Dr. Kristjansson, and in reply the minister said:

> Mr. Speaker, I know of no intention on the part of anyone to resign. Everyone seems very, very happy.

I ask, why did Dr. Kristjansson leave the department? I think the answer was given the other day by the hon. member for Port Arthur when he referred to the events taking place within the department in regard to ARDA. Dr. Kristjansson was one of those men who pushed the ARDA program, who believed in it and what it could do. The fact that he left the department is an indication that the

minister cared little what transpired, or what direction was given to the department in regard to ARDA.

I have just been advised, and I wish to put this on the record, also, that Dr. Kristjansson had resigned the day before the question was asked, and the minister did not know anything about it. This gives some indication of how much he knows about what is going on within his department.

Just the other day the hon. member for Skeena asked a question regarding cold storage, to which the minister replied that he had been taking a very close look at the problem. This is something the minister is doing all the time. He is the closest looking person I have ever known. No matter what question is asked, he says he is going to take a close look at it. Members of the government have been examining problems minutely for the past year, but we have not seen any results of this examination.

The minister said, as recorded at page 1525 of *Hansard* for March 26:

> In so far as cold storage is concerned, we have taken a very close look at every application we have received and most of them have been approved. Hon. members will remember that the previous government had an austerity program and cold storage grants were frozen.

A little later the hon. member referred back to this particular point and said:

> I wonder whether I could pose one question to the minister about cold storage activities. I think the minister said that in the last few weeks they have approved more applications under the Cold Storage Act than were approved in the previous 18 months.

The minister replied:

> This figure may not be too accurate—

I wholly agree with that statement. The figures and information given to us on many matters concerning agriculture are certainly not too accurate.

On the same day the hon. member for Nicolet-Yamaska posed a question to the minister concerning hides, and the minister replied:

> I do not know. I cannot answer this question, and I am sure no one else can answer it. The law of supply and demand enters into these things.... This is the first time I have heard of it.

Well, he left the impression that this was news to him. Then on Monday, in his statement, he refers to the same subject again and says: "As a matter of fact, several people who have thousands of hides in store have come to see me and they have been to see the Minister of Trade and Commerce". So this was not such a new matter, after all, two days later. So, on the strength of these statements which have been made in the house constantly by members of the government I do not think members of this house will wonder at all why we are constantly putting questions to this government in an effort to get answers in which we can place some faith.

I have dealt with the question of misleading statements. The minister said last night that he was overworked. I wonder just how much work there is left for him to do when most of his department has disappeared from under him. What has he got left? Is there such a great effort involved in the administration of the act concerning race track betting? I wonder how many hours a day he spends on that. He must be overworked providing leadership in connection with the pest control act. Perhaps he could broaden its scope a little so as to include some of his colleagues in the cabinet, and bring them under control. I am sure great qualities of leadership are needed to take care of the administration under the Live Stock Pedigree Act. I give the minister credit for putting up a valiant struggle to retain some portion of his department.

We all know that some of these duties are administrative in nature but there are several important facets to the department, branches which will play a very important part in the development of agriculture. The farm credit program is one of them; PFRA is another. The price stabilization board and the crop insurance program are also important parts of the department which require leadership and administration. I hope the minister will be left to provide this administration. I should like to believe him when he says he has the interest of the farmers at heart and that he is anxious to pursue policies which are beneficial to agriculture. I think perhaps he will do that, if he is left alone to do it. But I am a little suspicious about that group which was there in 1957 and prior to that time—that bunch which ignored and completely forgot the western farmers, and farmers in general in this country, and we are a little concerned that the minister may be pressured from all sides to do little and to do less. I can assure him he has the wholehearted support of members on this side of the house, if he has any battles to fight with other members of the cabinet.

The minister told us there was to be a liaison committee consisting of three members, the Minister of Agriculture, the Minister of Trade and Commerce and the Minister of Forestry. After reading some of the statements which have been made by those ministers I am seriously in doubt as to what type of co-operation one can expect from three men who have such varied views on matters having to do with agriculture. The Minister of Forestry takes one view, the Minister of Agriculture takes another and

the Minister of Trade and Commerce, whose statements we have heard much about in western Canada, seems to hold a third view. We sincerely hope there will be some co-ordination of effort between these three ministers, because having regard to the way in which responsibilities have been taken away from the Minister of Agriculture, the closest co-operation will certainly be required if there is to be any co-ordination of agricultural policy. We certainly hope to see evidence that this troika, as someone has called it, can work and produce effective legislation.

The minister takes great pleasure these days in referring to the progress made by agriculture when he visits the constituencies. I think he can do this with some justifiable pride because the income from agriculture is improving. But I challenge him to give us one instance of any action taken either by the government or by himself which has resulted in the improvement of the agricultural situation in this country, other than the continuation of those policies which were instituted by the previous government.

In conclusion, let me say this: We should like to assist the minister in every way possible. We should like to make sure that he appears before the house occasionally to give us a review of his activities. We are looking forward to the debate on the estimates of his department during which we can discuss policy in general. I should include, at this point, a reference to the Minister of Forestry who now holds an important portfolio—the administration of the ARDA program and its related branches. This is a most important program as far as agriculture is concerned. We should like to know what the government's proposals are, what its hopes are and what its plans are. We hope there will be co-ordination, though I am sometimes doubtful how those hopes will materialize.

I have here a copy of an article which appeared in *Time* magazine last fall. This is required reading. Discussing the new Liberal government, it says:

The new Pearson government is, by common consent, better staffed with cabinet talent—

We look across the floor and wonder where the writer of this article got that idea.

—and has a clearer view of the direction it intends to take—

"All directions" is about the answer to that.

—than any previous incoming Canadian administration. It has thought out its position on defence—

We have had some examples of how clearly they thought out that position. The article goes on:

—on foreign affairs, on biculturalism, and it has done its homework in economics.

We shall ask the Minister of Finance about that. I prefer to say that as far as I am concerned this government, like Christopher Columbus, did not know where they were going, did not know where they were when they got there, did not know where they had been when they got back, and they did it on borrowed money.

[*Translation*]

Mr. Latulippe: Mr. Chairman, we are now discussing supplementary estimates for the Department of Agriculture amounting to $127,343,681, and this amount raises the estimates of this department for the fiscal year ending March 31 to $300,564,831. These figures leave us thoughtful, considering the minor importance given by the government to Canadian agriculture, especially to the farmers of eastern Canada.

The main estimates for 1962-63 merely allotted $161 million to agriculture, while in the main estimates for 1963-64, the amount was $172 million.

We are now being asked to approve supplementary estimates in the amount of $127 million, thus raising the total to more than $300 million. However, if we consider the 1963-64 estimates, we find that the total estimated expenditures are of $140,124,860. It is therefore obvious that we shall be asked again during the next session to pass another series of supplementary estimates.

On the other hand, if we consider the total estimated expenditures in the main estimates, we find that in 1963-64, agriculture accounted for only 2.7 per cent of the expenditures and that for 1964-65, it accounts for only 2.1 per cent, or a decrease of .6 per cent.

Who will support this decrease which comes at a time when expenditures are increasing? Certainly not the western farmers who had the good fortune to have a bumper crop and to see their income increase. No, once more the eastern farmers will bear that burden, even though they are already in a precarious situation. The government shows but indifference to their condition, it shows complete disregard for their problems and if, from time to time, it brings in an appearance of solution, they are just half measures, temporary piecemeal solutions.

If you look at page 477 of the Canada Year Book, 1963-64, you will see that the Quebec farmers net income has been continuously decreasing since 1959, while that income shows an almost continued increase for the Saskatchewan and Alberta farmers.

Here are some figures bearing out those findings: in Quebec, in 1959, net income was

$191,848,000; in 1960, $185,686,000; in 1961, $179,073,000; and, in 1962, $179,668,000. They show a steady decrease, except in 1962 when the situation remained almost the same as the previous year. In Saskatchewan, for instance, in 1959, net income was $240,862,000; in 1960, $372,981,000, that is an increase of over $130 million; in 1961, there was a decrease of $137,792,000, and in 1962 the income was three times as high as the previous year, amounting to $503,795,000.

Everybody is aware of last year's harvests; they will keep up this high level.

We are happy that the western farmers enjoy a good income. But we urge the government to give special attention to the eastern farmers who remain in a state of economic and financial stagnation which is a disgrace. The farmers of Quebec as well as of New Brunswick see their situation getting worse and worse because of problems requiring urgent action by the government.

Proper means have to be taken to make agriculture a paying proposition.

To that end, it must be recognized, or at least recalled that the farmers are the basis of our society and its various structures, and that without them, it would become impossible to hold in position those who are at the higher levels.

Neither would our armed forces go very far if the farmers refused to yield their production. Therefore, in order to be logical, we should admit frankly that we owe our very existence to them.

The farmers, besides being the support of each and everyone, are the largest consumers. They are the ones who largely contribute to our trade, transport, industry and every other sector of our economy.

First of all, Mr. Chairman, I would like to list their needs as consumers.

They must have a decent home, as every other citizen does, a heating system and all sorts of equipment and furniture as we all do.

Moreover, the farmer must have huge buildings for his farm, and all the required equipment connected with it.

Farmers need various structures, according to their production.

Moreover, our farmers need various other things, like farm implements and machinery, separators, milking machines, milk coolers, and water pipes, all things which are very expensive.

In addition, they must have a wide range of mechanical equipment, such as tractors, trucks, sowers, fertilizer spreaders, harvesters or combines, hay presses, threshing and binding machines, and many other items which it would take too long to list.

[Mr. Latulippe.]

They must have a great many other things like chain saws, wood-cutting and working equipment, repair workshops, because they cannot constantly go to the garage or call upon the services of mechanics.

I think that my list is long enough to prove that the farmers are great producers, but also great consumers, and rank first in our economic structure.

Of course, the farmer has to incur many expenses, and it is inconceivable that the government may think that in Quebec, for instance, with an average income lower than $1,500, he can manage to meet his responsibilities. It is a mathematical as well as an economic impossibility, which has consequences in other fields.

The farmer, whoever he may be, needs machines and tools. The government should without delay study means to allow grants to farmers, in order to help them pay for the machinery without which, today, it is impossible to farm on a profitable basis.

Likewise, grants should be allowed for fertilizers, in order to help the farmer increase his production potential and improve the quality of his products.

Indeed, money can be found to make war machinery, machinery designed to destroy. I believe the government and the Canadians are clever enough to make production machinery intended to assist agriculture and maintain life in a country where citizens wish only to live.

Our economists and our ministers of finance often speak of economic cycles. By way of simplification of great theories, I may say it is undeniable that when agriculture is prosperous at home, all other sectors of our economic life benefit.

We all know that farmers can produce. I have given proof that they are also great consumers. The basic law of economy, the law of supply and demand, proves that by improving the lot of farmers, we would give our economy a shot in the arm which is badly needed at the present time.

Mr. Chairman, it is unthinkable and intolerable that the government does not give greater attention to agriculture. Instead of a reduction in the budget in relation to the balance of expenses, a tremendous increase in the estimates of this department would have been necessary to face the alarming situation which prevails now.

Previous governments always thought that the farm credit board, through farm loans, would save farmers from their precarious financial situation. On the contrary, in the majority of cases, this board served only to put farmers into debt, and the loans that

were made helped only in crippling farmers who did not have the means to repay the loan.

Our farmers, who have long operated on a submarginal basis, had to obtain loans, to go into debt. However, their products have consistently sold at a price lower than the current price. The farmer does not want all kinds of loans, new financing systems, but rather to be able to sell his products at a reasonable profit, in order to meet his obligations.

In my opinion, the best way to help farmers would be to set up market prices that would enable farmers to sell their products at a profit, because more than 80 per cent of farmers in the province of Quebec operate on a submarginal basis. In the circumstances, how is it possible to be prosperous in a province or in a country? So it is the responsibility of the Minister of Agriculture to take under consideration the suggestions I am making.

Since the farmer does not have the required income to pay his debts, he cannot make the necessary improvements to modernize his operations, so that his expansion will keep pace with industrial and technical developments, and be competitive with any commercial product that can be put on the market.

A farmer should be exempted from that shameful 11 per cent tax because he is one of the largest consumers of building materials of all kinds since he is always building something. He needs all types of constructions. Why should he pay that 11 per cent tax?

What happens is that the farmer can no longer hope to compete on an equal footing with other areas of the economy. People are leaving the farm to live in the city, thus adding to the number of unemployed. There is nothing in farming to encourage young people to try and make a future of it. We cannot blame the young generation for showing little interest in agriculture because it is not a paying proposition.

In some counties over 50 per cent of our farms have been abandoned. The farmers are not the first ones who should be blamed; but rather, the government should be blamed for its inaction and its lack of interest because it is mainly responsible for the present predicament in which farmers find themselves.

I know that the government does not want to do much to organize or increase farm production because there are already surpluses and governments are afraid of them. In a civilized country, it would be logic to be practical and we should recognize that surpluses are not a misfortune for the people, but rather a windfall. The officials of the department are clever enough to find new markets for such surpluses. Why not organize farming on an economic basis?

I know there are surpluses, but that should be a blessing for the whole population instead of a penalty as our economists try to point out at the present time. Farmers have to pay heavy interest on loans made to them by the farm credit board, that is 5 per cent although the provincial government reimburses 2½ per cent. Now, if there is an authority in the field of agriculture, why force a government to take funds out of the general revenue of a province or of the country to pay interest to lending institutions?

The Liberal party has enough clever men to ask those vested interests to make sacrifices and lend that money at a rate of 3 per cent to prevent a province from levying taxes on the tax revenue from all taxpayers.

Everyone must take his responsibilities and I am asking you, hon. members of the government, to take yours and to ask high finance in Canada to take its responsibilities also.

Farmers living on average farms have to pay, out of a meagre income, municipal and school taxes which are getting higher and higher. In my riding, the owner of an average farm pays more than $500 for school and municipal taxes. That is preposterous. Farmers are in a frightful economic situation. You should see them and realize their position before it is too late.

I have here a letter, or rather a request, that people from my riding and from the neighbouring constituencies have sent me. It says:

Hon. Harry Hays,
Minister of Agriculture,
House of Commons,
Ottawa, Ont.

Dear Mr. Hays:

Enclosed you will find a petition, signed by a group of farmers in the counties of Compton, Stanstead and Sherbrooke, asking that subsidies now being granted for the transportation of grain by railways also apply in the case of transportation by trucks.

I feel their request is legitimate and that granting it would help substantially to raise the income of farmers in eastern Canada and especially in Quebec.

I hope therefore, Sir, that you will give serious consideration to this letter and that you will be kind enough to set forth the views of both the government and your department on the matter.

Yours truly

I think the hon. gentleman could surely do something about that, because eastern farmers have to import 60 per cent of the feed grain they need. For those reasons, I feel it would be appropriate to subsidize transportation by trucks and that this would be of great assistance to the farmers.

I also take it upon myself to make a suggestion to the government and especially to the Minister of Agriculture. We know that, during the seeding season, farmers lack farm help while a great many unemployed in our cities do not know what to do and have to be content with unemployment benefits.

Consequently, farmers are wondering whether it would not be possible to extend the winter work period in order that they may hire the help they need, that is unemployed people, to do the bulk of the work. Would it not be possible for the government to pass a special bill in favour of farmers, perhaps under the winter works program, so that salaries could be paid to city people going out to help the farmers?

[*Text*]

Mr. Diefenbaker: Mr. Chairman, we have been dealing with the subject of agriculture, particularly the administration item, for some time and I want to conclude on behalf of Her Majesty's loyal opposition by saying that we are very happy that the minister was able to spend two days with us between his peripatetic pilgrimages. While he did not cover the entire field, as one can understand, he did answer a variety of questions that were asked. Therefore may I say on behalf of those for whom I speak that under all the circumstances we feel that this item might now be passed.

There is one matter on which I should have liked to hear him but I do not want to hold up his estimates. That matter is one to which he made reference in the course of his remarks last evening. He said, as I understood him, that he is now in charge of railway branch line rationalization. There is a great deal of interest in this matter, particularly on the prairies, and a general statement by him at a very early date is most necessary and would be most acceptable. Certainly so far as the people of western Canada are concerned they feel strongly that the plans for railway abandonment should be proceeded with very slowly and that rather than piecemeal abandonment there should be railway line consolidation. I do not intend to deal with that at any length, except that I should like to hear the views of the Minister of Agriculture because this is a tremendous field of responsibility which he has assumed.

Mr. Pickersgill: The right hon. gentleman does not seem to realize that this responsibility has not yet been stripped from me but will be shortly.

Mr. Diefenbaker: As usual the Minister of Transport has interrupted. With a provincial election about to take place in the province of Saskatchewan I have read and heard that he is about to make a visitation there to place before the people the true facts in connection with this matter. I would not let him do that. I say to the Minister of Agriculture: You look after your own department and do not let them bite off anything more; do not let them interfere with you. I read the other day that the Minister of Agriculture had said that some of the eastern ministers were very difficult to deal with, and they were exerting pressure on him because they thought he was doing too much for western Canada. All I can say is that anything that can be done to assist agriculture in all sections of the country will receive the support of the opposition at all times. He stated a moment ago that his purpose is to maintain those things that are good, and to make improvements in order to assure an ever-increasing opportunity for farmers, as indeed for all sectors of the community, and in those aims he will receive the fullest support of the opposition.

Mr. Martin (Timmins): Mr. Chairman, first of all I am afraid I cannot agree with the right hon. gentleman who has just taken his seat. I believe this is about the third or possibly the fourth time he has spoken on these estimates and there are certain hon. members who have not yet had a chance to speak.

Mr. Diefenbaker: I do not mind.

Mr. Martin (Timmins): He gave his vinegar speech yesterday and his honey speech today, and if another occasion arises we may have some other variety of speech from him. I should like to bring to the attention of the Minister of Agriculture a problem that is hanging over the heads of some of the farmers in my constituency and which has arisen for two or three reasons. One has to do with the unusually heavy snowfall this winter, together with the fact that the snow is still there. This is very unusual. We have not had a single thaw so far and the result is that as one drives along the highway it is not unusual to see snowbanks 12, 14 or 16 feet high.

Hon. members may recall that some four years ago there were very serious floods in that area. There was a lot of publicity at the time in the national newspapers and on television and a great amount of attention was paid to the situation. Funds were raised to assist the flood victims and the people of the area responded very generously. I believe they raised in excess of $50,000 locally which amount was met by funds from various government departments.

However, at that time one particular group was completely ignored. I refer to the farmers of Mount Joy township. The funds that were raised were all directed toward the assistance of householders who had suffered extensive damage to their homes, furniture

and property. The result was that in the allocation of the funds a farmer could only receive assistance if his home had been damaged. It is well known that farmers show a little more foresight than city dwellers and erect their homes on the highest part of their land. The result was that the farm had to be totally inundated before the farmer's home would be damaged.

Extensive damage was done to the farms. Many of them were strewn with logs, stumps and other debris and there was considerable expense involved in clearing the debris off the land. In addition, the fields were waterlogged, which in many cases resulted in total crop failures. However in spite of this damage these farmers were unable to qualify for the assistance that was provided to the flood victims.

I believe I can understand the reason for that, Mr. Chairman. I do not think that the Department of Agriculture had made any preparations beforehand to meet such a situation, one which could well arise again from time to time in various regions of the country. What I should like to know today is whether the minister or the department has any plans to meet such an emergency, should it be repeated. There is a distinct danger of such a situation arising again in the same area this year because of the unusual circumstances I have outlined. Many of the farmers have not been able to recoup the losses they suffered four years ago and if such a situation should recur many of these farmers, who have had a rather tough time over the last three or four years, in all likelihood would be wiped out. May I call it five o'clock, Mr. Chairman?

The Chairman: It being five o'clock it is my duty to leave the chair in order that the house may proceed to the consideration of private members' business, pursuant to section 3 of standing order 15.

Mr. Favreau: Mr. Speaker, it seems to me that the house has been proceeding at a good and useful pace in the study of these estimates during the course of the afternoon. I am quite sure we will all find it very useful to hear the remarks of the hon. member for Timmins as soon as possible and I wonder whether there could be general agreement to waive the private members' hour for today?

Some hon. Members: Agreed.

Mr. Howard: Mr. Chairman, it seems that we get into a great amount of difficulty when we start to juggle the rules, so I suggest that we stick to them.

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

BANKRUPTCY ACT

AMENDMENTS RESPECTING WAGE EARNERS' ASSIGNMENTS

Mr. Stanley Knowles (Winnipeg North Centre): On behalf of the hon. member for Winnipeg North, I should like to move second reading of this bill so that the Solicitor General can move an amendment to have the subject matter referred to the special committee that has been set up for this purpose. I believe it has been understood that on some occasion, and I believe today is the occasion, a number of bills on the order paper are to be given this treatment. Therefore, I move second reading of this bill for that purpose.

Mr. Deputy Speaker: Has the hon. member for Winnipeg North Centre been authorized by the hon. member for Winnipeg North to move this bill on his behalf?

Mr. Knowles: Yes.

Mr. Knowles (for Mr. Orlikow) moved the second reading of Bill No. C-3, to amend the Bankruptcy Act.

Hon. J. Watson MacNaught (Solicitor General): I move that the said bill be not now read the second time but that the subject matter thereof be referred to the special joint committee on consumer credit for further study.

Amendment agreed to.

SMALL LOANS ACT

AMENDMENT REQUIRING STATEMENT OF TRUE INTEREST RATE CHARGE

Mr. Stanley Knowles (for Mr. Orlikow) moved the second reading of Bill No. C-13, to amend the Small Loans Act (advertising).

Hon. J. Watson MacNaught (Solicitor General): I move that the said bill be not now read the second time but that the subject matter thereof be referred to the special joint committee on consumer credit for further study.

Amendment agreed to.

Mr. MacNaught: If we could have unanimous consent, I suggest that you call order No. 11, Bill No. C-20.

Mr. Deputy Speaker: Is that agreed?

Some hon. Members: Agreed.

Private Bills

AMENDMENT TO REDUCE MAXIMUM INTEREST RATE

Mr. Stanley Knowles (for Mr. Orlikow) moved the second reading of Bill No. C-20, to amend the Small Loans Act.

Mr. Deputy Speaker: I assume that in connection with this bill the hon. member also has authorization of the hon. member for Winnipeg North?

Mr. Knowles: Quite.

Hon. J. Watson MacNaught (Solicitor General): I move that the said bill be not now read the second time but that the subject matter thereof be referred to the special joint committee on consumer credit for further study.

Amendment agreed to.

Mr. MacNaught: Mr. Speaker, if we could have unanimous consent I suggest you call order No. 14, Bill No. C-23.

Mr. Deputy Speaker: Is it agreed?

Some hon. Members: Agreed.

FINANCE

PROVISION FOR DISCLOSURE AND RESTRICTION OF INTEREST IN CONSUMER CREDIT

Mr. Stanley Knowles (for Mr. Scott) moved the second reading of Bill No. C-23, to provide for the control of consumer credit.

Hon. J. Watson MacNaught (Solicitor General): I move that the said bill be not now read the second time but that the subject matter thereof be referred to the special joint committee on consumer credit for further study.

Amendment agreed to.

PROVISION FOR CONTROL OF USE OF COLLATERAL BILLS AND NOTES

Mr. Maurice Rinfret (for Mr. Ryan) moved the second reading of Bill No. C-63, to provide for control of the use of collateral bills and notes in consumer credit transactions.

Hon. J. Watson MacNaught (Solicitor General): I move that the said bill be not now read the second time but that the subject matter thereof be referred to the special joint committee on consumer credit for further study.

Amendment agreed to.

Mr. MacNaught: If we could have unanimous consent, I suggest we call order No. 42, Bill No. C-51.

Mr. Knowles: Has the minister not forgotten one, namely Bill No. C-44?

Mr. MacNaught: Yes.

[Mr. Deputy Speaker.]

Mr. Deputy Speaker: Is it agreed?

Some hon. Members: Agreed.

BILLS OF EXCHANGE ACT

AMENDMENT RESPECTING OFF-STORE INSTALMENT SALES

Mr. Stanley Knowles (for Mr. Orlikow) moved the second reading of Bill No. C-44, to amend the Bills of Exchange Act and the Interest Act (off-store instalment sales).

Hon. J. Watson MacNaught (Solicitor General): I move that the said bill be not now read the second time but that the subject matter thereof be referred to the special joint committee on consumer credit for further study.

Amendment agreed to.

AMENDMENT TO PREVENT FRAUD IN RETAIL CREDIT TRANSACTIONS

Mr. Arnold Peters (Timiskaming) moved the second reading of Bill No. C-51, to amend the Bills of Exchange Act (instalment purchases).

Hon. J. Watson MacNaught (Solicitor General): I move that the said bill be not now read the second time but that the subject matter thereof be referred to the special joint committee on consumer credit for further study.

Amendment agreed to.

INTEREST ACT

AMENDMENT TO PLACE CEILING ON INTEREST RATES

Mr. Stanley Knowles (for Mr. Orlikow) moved the second reading of Bill No. C-52, to amend the Interest Act.

Hon. J. Watson MacNaught (Solicitor General): I move that the said bill be not now read the second time but that the subject matter thereof be referred to the special joint committee on consumer credit for further study.

Amendment agreed to.

APPLICATION OF INTEREST RATE IN SMALL LOANS ACT

Mr. M. W. Martin (Timmins) moved the second reading of Bill No. C-53, to amend the Interest Act (application of Small Loans Act).

Hon. J. Watson MacNaught (Solicitor General): I move that the said bill be not now read the second time but that the subject matter thereof be referred to the special joint committee on consumer credit for further study.

Amendment agreed to.

CRIMINAL CODE

AMENDMENT TO CHANGE RULE RESPECTING INSANITY

Mr. Andrew Brewin (Greenwood) moved the second reading of Bill No. C-14, to amend the Criminal Code (insanity).

He said: I had not expected I would have an opportunity of introducing this bill during this week. I think perhaps it is a very appropriate week in which to introduce a bill dealing with the subject of insanity. The purpose of the bill which I am introducing is to amend the Criminal Code so as to abolish what is known as the M'Naghten rules in respect to criminal insanity and substitute an up to date modern rule in its place.

One man is responsible for this bill being presented before the house. He is a young man by the name of Ronald Markle, who is a constituent of mine, now serving a sentence at Kingston penitentiary. He is 33 years of age, married, with seven children.

Markle suffered from a strange malady. In the course of two or three years he set fire to schools, churches and apartment houses. He was undetected by the police, and there was no rational purpose in his actions. Some time in 1962 he gave himself up to the police and asked for treatment. He pleaded guilty to nine charges of arson in a magistrate's court. He was not represented by counsel, and was convicted and sentenced to a total of 24 years in the penitentiary.

On appeal, the court of appeal saw nothing wrong with this sentence. However the public were more sensitive and a committee of citizens was formed to aid Markle. The press became interested and eventually the former minister of justice, the Hon. Mr. Fleming, directed a new hearing, and on this new hearing the sentence was reduced to 12 years.

Under the laws of Canada in regard to criminal insanity as they presently stand, there is no doubt that Markle was not insane. He appreciated the nature and quality of his actions; he knew that they were wrong. Indeed that was the very reason he gave himself up to the police and asked for treatment. He was, therefore, under our law criminally responsible for his actions. But it is equally clear that his acts were irrational and were the product of mental illness. What Markle needed, and needs, was not punishment but treatment.

The purpose of the bill before the house is designed to amend the inadequate provisions of the Criminal Code in regard to criminal insanity, and bring them up to date and in line with enlightened, modern medical opinion. The purpose of the bill is to ensure that where acts are committed by reason of mental illness, the persons involved are considered as sick persons requiring treatment, and not as criminals requiring punishment.

To use the language of a famous American judge, Judge Jerome Frank:

> A society that punishes the sick is not wholly civilized; a society that does not restrain the dangerous madman, lacks common sense.

The present bill is designed to abolish the M'Naghten rule of criminal insanity and substitute for it a modern test adopted by the United States court of appeals in 1954.

The M'Naghten rule was framed by English judges in 1843, more than 120 years ago. M'Naghten fatally shot Edward Drummond, secretary to the prime minister, Sir Robert Peel, in an attempt to kill the latter. M'Naghten explained that he had made a mistake; that he desired to kill the prime minister. He gave this further explanation:

> The Tories in my native city have compelled me to do this; they follow and persecute me wherever I go and have entirely destroyed my peace of mind.

There is no doubt that M'Naghten suffered from insane delusions. Nine physicians and surgeons called to the witness stand testified that he was insane, and the presiding lord chief justice directed a verdict of not guilty. M'Naghten spent the rest of his life in a mental institution.

The public, however, were indignant at the crime, ascribing it to a political plot. The House of Lords put questions to the 15 English judges who laid down what has since been known as the M'Naghten rules. The basic rule is that to establish a defence on the ground of insanity, it must be proved that the accused was labouring under such a defect of reason from disease of the mind as not to know the nature and quality of the act he was doing or, if he did know it, that he did not know that what he was doing was wrong. This test, slightly altered, remains the law of Canada today. It is contained in section 16 of the Criminal Code, part of which is sought to be repealed by the bill before the house.

The Criminal Code provides that no person shall be convicted of a criminal offence in respect of an act or omission on his part while he was insane, and it goes on to define insanity as follows, in subsection 2:

> For the purposes of this section, a person is insane when he is in a state of natural imbecility or has disease of the mind to an extent that renders him incapable of appreciating the nature and quality of an act or omission, or of knowing that an act or omission is wrong.

Subsection 3, which I need not read, goes on to deal with specific delusions. It will be noted that the key phrase is the word "appreciated" and this is used rather than the word "know" in the original M'Naghten

rules, but since 1843 a very great deal has been learned in the fields of medical and psychiatric knowledge.

In the Durham case in the United States in 1954, an American court of appeals in Washington, D.C., substituted a new rule, which is the basis of the amendment I propose. The provision which that court adopted was that the accused is not criminally responsible if his act was the product of mental disease or mental defect.

Judge Bazelon, who wrote the judgment of the American court of appeals, has made the following statement:

> In this century the chorus of protest (against M'Naghten's rules) has become deafening. In a poll taken a few years ago 80 per cent of 300 American psychiatrists pronounced those rules unsatisfactory.

One of the greatest of American judges, Mr. Justice Cardozo stated flatly:

> Everyone concedes that the present definition of insanity has little relation to the truths of mental life.

Judge Bazelon tells us that the main criticisms of the right-wrong test are fourfold:

> First, it misses the point entirely because whatever "insanity" means, the term refers to abnormal conditions of mind that cannot all be gathered together under the rubrics, "know" and "wrong." Second, the test is based on an outmoded theory of faculty psychology derived from phrenology.

—a rather ancient science—

> —that dividend the topography of the mind into separate compartments. Modern psychology views a man as an integrated personality and reason is only one element of that personality, and not the sole determinant of conduct. Third, the test poses to the expert an ultimate question involving legal and moral, as well as medical issues. Fourth, the test has so strait-jacketed psychiatric testimony that insanity is defined exclusively in terms of extreme psychosis and patent organic deterioration.

From the judicial point of view, Judge Bazelon says:

> What all this controversy adds up to, practically, is whether we are to have more and freer psychiatric testimony. I myself have no hesitance in taking the position solidly in favour of freer and fuller expert testimony.

He goes on to state:

> This is exactly what we did in the District of Columbia five years ago when the United States court of appeals adopted the Durham rule. Under this new, more liberal rule—

—which description I hope will commend it to the hon. members opposite—

> —a modern and comprehensive body of law governing the administration of the insanity defence is being slowly built up on the basis of continuing experience. At the same time, the community's fears that great numbers of dangerous persons would be freed to attack again, are being put to rest. Nothing of this sort has happened. Defendants acquitted under the Durham rule have been sent to mental hospitals, many of them for longer periods than they would have served in prison, and they appear to get into less trouble after release, than prison convicts.

Therefore the fear that is sometimes expressed that if this rule is changed people will be let out and will more readily commit other crimes has no basis in fact.

In 1955 the American law institute, composed of a leading body of distinguished lawyers, judges and scholars, urged the liberalization of the M'Naghten rules. In a recent study sponsored by the American bar foundation in 1962 under the title "The Mentally Disabled and the Law", the following conclusions are reached:

> It is desirable to broaden the class of the mentally disabled who are held criminally irresponsible without removing the issue from the jury. The M'Naghten and irresistible impulse tests defined too narrowly the class of persons who should be hospitalized rather than imprisoned. These tests also prevent psychiatric witnesses from presenting an adequate word picture of the defendant's mental condition because they are phrased in terms having little relevance to current learning in the field of psychology. The product test remedies both of these defects.

I am aware, along with other hon. members who are familiar with this subject, that this matter was dealt with in 1957 when a royal commission presided over by Chief Justice McRuer made recommendations contrary to those of the bill I am now placing before the house. It so happens that Chief Justice McRuer was a former partner of mine and of the hon. member for High Park (Mr. Cameron). I worked closely with him as junior counsel and I have the greatest respect for Chief Justice McRuer, a respect which was deepened by my personal knowledge and experience. I know he is held in great respect by members of the legal profession. Nevertheless, I find the dissenting report of that commission, prepared by Her Honour Judge Kinnear and Dr. Jones, professor of psychiatry at Dalhousie University, far more persuasive and compelling. Indeed, with great respect, it seems to me that the chief justice in this report has erred by adopting a too legalistic approach to the problem. He rejected the proposal to amend the Criminal Code upon the basis of the contention that the word "appreciate" in the code substantially differentiates the Canadian law from M'Naghten's rules.

This is a refinement which, as the dissenting report indicates, not even judges and lawyers are able to appreciate.

The preferable view seems to me to be that adopted by the so-called Gowers commission in Britain, which quotes statements of doctors with experience in mental diseases appearing before it, as follows:

> The M'Naghten test is based on an entirely obsolete and misleading conception of insanity, since

insanity does not only or primarily affect the cognitive or intellectual faculties, but affects the whole personality of the patient, including both the will and the emotions.

One or two misconceptions should be cleared up. This change in the law is not proposed because of any softness of outlook toward those who commit criminal offences. Indeed there are many cases in which persons who are mentally ill, but criminally responsible under the M'Naghten rule, receive sentences, serve their terms in jails or penitentiaries and are released while still suffering from mental illness. These people time and again commit further serious crimes.

The real question, after all the theoretical discussion, is whether the proper remedy is punishment or treatment. I know that many people, feeling indignant at the horrible anti-social acts which are sometimes committed, believe the answer is punishment. Unfortunately, punishment works no cure and indeed may intensify the criminal impulses of the person punished. An inmate of a mental hospital, however, should not be released from the hospital until it is certified that he is cured or at least not dangerous to himself or others. Psychiatrists can make mistakes but there is no reason why the law should not direct attention to the right question, which is: Has the person involved been cured of the mental defects which, if he is released, will make him a danger to society? The prison warden at the expiration of a criminal sentence has no right to ask such a question before he lets the prisoner out, possibly to endanger the public.

In the Durham case, the court said:

The legal and moral traditions of the western world require that those who of their own free will and with evil intent commit acts which violate the law, shall be criminally responsible for those acts. Our traditions also require that where such acts stem from and are the product of mental disease or defect, moral blame shall not attach and hence there will not be criminal responsibility.

In our society the essential aim of the criminal law should not be to induce mass fear of punishment but to reaffirm the value of each individual by due process in his conviction and purposeful treatment thereafter.

I know, Mr. Speaker, that this bill which I have introduced will probably suffer the fate of many other private members' bills. It is however my earnest hope that the government will give serious consideration to this matter which I have brought forward.

There are many other fields in which we reject the impact of modern thought and science, but is there any reason why we should insist in our criminal law in asking a question framed 120 years ago, when psychiatric knowledge was in its infancy? Is there any reason why this parliament in 1964 should not gain a reputation throughout the civilized world for a modern and enlightened attitude to the question of criminal responsibility? I urge the government to give the most careful attention to the amendment of the criminal law in this respect.

I would like to conclude by quoting the words of Winston Churchill, who in the midst of the darkest days of the world war made the following statement:

The mood and temper of the public with regard to the treatment of crime and criminals is one of the most unfailing tests of the civilization of any country. A calm, dispassionate recognition of the rights of the accused, and even of the convicted criminal against the state.... Those are the symbols which, in the treatment of crime and criminals, make and measure the stored-up strength of a nation and are sign and proof of the living virtue in it.

Mr. Speaker, the maintenance of an obsolete and antiquated law of criminal responsibility would show that we in this house in Canada were failing in this test. I suggest it is in this spirit that the members of this house should consider that the time has come to make sure that there are no more cases in Canada like the case of Ronald Markle, now being punished for a crime for which according to our modern knowledge and judgment he was not responsible mentally or morally. If we in this parliament do something about this type of problem we will be measuring up, in Mr. Churchill's words, to one of the "tests of civilization".

Mr. L. T. Pennell (Brant-Haldimand): I am sure the house is grateful to the honourable and learned member for Greenwood (Mr. Brewin) for bringing to our attention this most important aspect of the criminal law. I trust that if I indicate some difference of opinion between myself and the author of Bill C-14 he would not think I am treating his enlightened efforts in too summary a fashion.

It is true, as the hon. member stated, that we are still administering the law as it was laid down and applied in the trial of Daniel M'Naghten almost a century and a quarter ago. The main criticism of section 16 of our criminal law is, as I understand it, that the law has not kept pace with medical science and knowledge. It is contended that as medical science threw back the frontiers the law has not been modified. That, of course, is the object of the bill introduced by the hon. member for Greenwood.

I am sure the hon. member would agree that his proposition is not a novel one. I do not say that in any desire to detract from the worthiness of his efforts. My purpose and

my justification are simple. It is my submission that the M'Naghten rules have stood the test of time. While it is true that on one hand the M'Naghten rules have their strong critics, on the other hand there may be found their strong supporters.

I propose, with deliberate economy of language, to outline the historical background of the M'Naghten rules and their progress. Forty years ago—in 1924, to be precise—Lord Justice Atkin headed a 27-man committee, a committee of eminent and outstanding men both in the law and in medicine, who were reinforced by an opinion from the British medical association. They brought forth a recommendation that the M'Naghten rules should be modified. That recommendation died on second reading in the British parliament. In 1953 a royal commission was again established in Great Britain and the question was given searching and careful inquiry. Once more the British medical association came forward, and the committee, armed with their report, went a step further than the Atkin committee and recommended to parliament that the M'Naghten rules be abrogated. Once more that recommendation died in the British House of Commons.

The hon. and learned member for Greenwood (Mr. Brewin) has stated that in 1957 Chief Justice McRuer headed a commission to examine the same question. I share the hon. member's respect for the chief justice of Ontario and I should like to put on the record the conclusions of the majority report, which may be found at page 46 of the report and which reads in part as follows:

> There should be no change in subsection 1, 2 and 4 of section 16 of the Criminal Code.

Then the majority report goes on to deal with the law suggested by the hon. member for Greenwood, sometimes known as the laws of the state of New Hampshire. This is what the report said:

> The repeal of section 16 and the substitution of the laws of the state of New Hampshire or those of the district of Columbia would not make for a better administration of justice in Canada.

How is it that the M'Naghten rules, subjected to the severest criticism, have withstood the onslaughts of medical associations, of legal committees and royal commissions? An appropriate consideration in answering that question, I suggest, is to determine the purpose for which the M'Naghten rules were formulated. The object of the criminal law, as I understand it, is to protect society, and while there should be other considerations than deterrence, nonetheless the prime purpose of the law is to protect society from the depredations of dangerous and vicious people.

[Mr. Pennell.]

It should be borne in mind that the M'Naghten rules are not set forth as an all-embracing definition of insanity. Perhaps it is more accurate to say that they do not define insanity at all. They set forth a standard of criminal responsibility.

In that regard I wish to point out—and I cannot emphasize this too strongly—that even in 1843 when the judges brought forth the M'Naghten rules, they were aware of the fact that the medical association had a much broader view as to the definition of insanity. But the judges who brought forth the M'Naghten rules started from the fundamental proposition that every person is presumed to be sane and responsible in law for his acts. Then they went a step further and said that if the person desired to escape criminal responsibility it must be proved that either he did not know the nature and quality of his act, or if he did know it, he did not know that it was wrong. The hon. and learned member for Greenwood pointed out in his lucid statement that this is putting the question in the strait-jacket of the right or wrong test. He calls to our attention that modern medical science shows that you cannot, in determining insanity, put the human mind into separate compartments and determine this question solely on the principles of reason, and it must be determined by looking at the whole human function. I concede that, judged solely by medical standards, it is difficult to defend the M'Naghten rules, but I respectfully suggest that in practice they have worked and I am not aware of any substantial miscarriage of justice because they have been maintained in the Criminal Code.

I would, in this great conflict between the M'Naghten rules and the medical association, borrow the words of Mr. John Robinette, the treasurer of the Law Society of Upper Canada and one of the leaders of the bar in this country. This is what he said in giving his opinion before the royal commission:

> It seems to me that it might be worthy of consideration to exclude from the code entirely the word insanity, and what is now section 16 should merely provide that under certain circumstances a person shall not be criminally responsible for his acts or omissions, leaving out any reference to insanity because I think that is probably what causes some of the controversy between the medical profession and the legal profession.

There is a general maxim that if the law satisfies the public conscience, then it is doing its duty. It is my humble and respectful submission that over the years the M'Naghten rules have satisfied the conscience of the majority of the people in this country and no one can place his finger on any substantial miscarriage of justice because the rules are still in the Criminal Code. I do not, Mr.

Speaker, pose as any authority in this matter although I have had occasion to defend people charged with capital murder and have argued this subject matter in the court of appeal with divided success. But I respectfully submit that no matter what it is you put to a jury, whether it be the M'Naghten rules or the watered down and broader rules suggested in Bill No. C-14, invariably the jury will ask themselves this question, "Did the man know that what he was doing was wrong?" In this connection I would bring to the attention of the house that even under Bill No. C-14 psychiatrists would concede that a man, even by their standards, could be insane and would yet know that what he was doing was wrong. I do not propose to weary the house with a long list of legal citations; suffice it to say that several cover my point. In the leading case in Australia, Sodeman *v.* The King, the defence were able to bring forth three medical experts who all testified, without reservation, that the accused man did not know the nature and quality of his act and did not know that it was wrong. The prosecution brought forth no evidence in rebuttal. The jury convicted, and subsequent appeals failed.

I have had occasion to make a study of five cases reported in the British Notable Trials series, all involving a defence on the grounds of insanity. On each occasion medical evidence was brought forth to show that the accused man did not know the nature and quality of his act, and on each occasion a verdict of guilty was recorded. That brings me back to my original proposition, that while in theory the M'Naghten rules are open to great criticism, in practice they have worked and any other rule that might be substituted would also be subjected by the jury to the searching question, "Did the man know it was wrong when he committed the act?"

Mr. Brewin: Mr. Speaker, would the hon. member permit a question? Does he think that because a man like Markle knew that what he was doing was wrong, but nevertheless acted as a result of mental illness, it is appropriate that he should be treated as a criminal and should not receive treatment as a sane person?

Mr. Pennell: Mr. Speaker, may I say to the hon. member that if this man knew it was wrong, he could be held criminally responsible, bearing in mind that the law is merciful and takes into consideration these mitigating factors and will give such a man treatment. So we have to weigh the one danger against the other—whether he should be set free into society or be kept incarcerated for a definite period receiving the treatment.

I come back to the proposition I was making earlier. I believe the M'Naghten rules have, generally speaking, worked well.

In conclusion, may I say that I hope the government will not close the door to the bill proposed by the hon. member. I will be the first to acknowledge that some of the submissions that I have put forth are subject to objection, and many may be easily rebutted. My purpose in asking the government to keep the bill alive and later on to send it to a special committee is twofold. In the first place I believe discussion of this bill during private members hour is not sufficient for an important measure of this nature. Second, I would ask the government to consider that "no man's land" where a person falls between one who is clearly sane and one who is clearly insane. At the present time there is not sufficient legislation, in my humble opinion, to assist such a person.

The principle of diminished responsibility, which is in existence in India, Pakistan and Scotland, has worked in practice. It would provide some mitigation for those who, while they are not insane within the meaning of the rule, yet because of some mental infirmity or illness are not fully accountable for their actions. Therefore, in closing I would again commend the hon. member, though I may differ with him on many points, and I urge the government to give earnest consideration at a later date to convening a committee to consider this very important problem.

Mr. John R. Matheson (Leeds): Mr. Speaker, I am sure we all commend the hon. member for bringing to the attention of the house this important matter, which is one which has been discussed at bar meetings and by medical groups for a good many years. I am sure that nearly every lawyer remembers discussions which started off with the words: "When will we get rid of the M'Naghten rules?" I confess that personally my own sympathies would have been very much in the direction of Bill No. C-14 were it not for the fact that on Friday, November 22, 1962 I happened to have the privilege of sitting down in Toronto with the distinguished and learned member who brought this bill to the attention of the house to hear Lord Devlin, a privy councillor and a Lord of Appeal in Ordinary of London, speak on mental abnormality and the criminal law in a series which was published under the style "Changing legal objectives". I might add that my hon. friend's bill in present form had actually been introduced to the house prior to that lecture.

Lord Devlin, who spoke from a very wide and deep knowledge of criminal jurisprudence in the United Kingdom, certainly gave new insight to the implications and significance

of the rules in M'Naghten's case. In the first place, he asked his listeners clearly to distinguish considerations of punishment and sentence in the evaluation of this rule respecting liability. One of the matters which is in our minds with respect to the Mc'Naghten rule is that this is the rule which on certain occasions would convict a man to death who perhaps, if modern psychiatric standards were applied, should be deemed insane. Lord Devlin asked us, first of all, to bear in mind that everything which is sought to be accomplished in the hon. member for Greenwood's bill would be better accomplished by amending the Criminal Code respecting penalty. That is to say, with respect to capital murder there would be no compulsory sentence of death; the maximum penalty would be death or such other penalty as the trial judge in his discretion deemed proper. For my own part I should like to see capital punishment eventually abolished, and I think we are moving in this direction. With regard to non-capital murder there would be no longer a compulsory life sentence, but a maximum penalty of a life sentence or such other lesser penalty as the trial judge in his discretion might deem proper.

Supposing it were possible, Mr. Speaker, by amendment to the code, for a judge to be free with regard to applying an appropriate penalty. This is the general direction which is being taken in all our criminal legislation under the new concept that punishment is now giving place to treatment, that many criminals are better rehabilitated by treatment than by punishment. Suppose a judge were free in any particular case to determine, perhaps even by way of appeal or with the assistance of the parole board, whether or not the appropriate sentence for a crime should be treatment or punishment. If it were possible to distinguish and to separate punishment for a person suffering from mental disability of some kind from the fact of his conviction, then what is the real fault with the M'Naghten rule?

It is true that in the early days the rules in M'Naghten's case were stringent. In the case of The King *v.* Jessamine, which is reported in 1912 Ontario Court of Appeal Reports, the court was considering section 19 of the code, which reads as follows:

> No person shall be convicted of an offence by reason of an act done or omitted by him when labouring under natural imbecility, or disease of the mind, to such an extent as to render him incapable of appreciating the nature and quality of the act or omission, and of knowledge that such an act or omission was wrong.

This case was authority for the proposition that the burden of proof of insanity is upon the defence. That proposition was not actually spelled out in the comments of the learned proponent of the bill, but I think it was inferred. Without evidence to go to the jury the prisoner cannot be acquitted on the plea of insanity.

Since this case of the King *v.* Jessamine criminal jurisprudence has shown progress and development. On October 25, 1956 the McRuer royal commission brought down its report. They considered the case of Rex *v.* Cracknell, reported in 1931 Ontario reports at page 634, which dealt with section 16 of the Criminal Code. That section says:

> (1) No person shall be convicted of an offence in respect of an act or omission on his part while he was insane.
>
> (2) For the purposes of this section a person is insane when he is in a state of natural imbecility or has disease of the mind to an extent that renders him incapable of appreciating the nature and quality of an act or omission or of knowing that an act or omission is wrong.

The insertion of the word "or" is of considerable importance. Because if the accused did not know that in killing his wife he was doing what was wrong he had no guilty intention and therefore was not guilty of murder, even though he might have appreciated the physical, not the moral, nature and quality of his act.

So really in layman's language it boils down to this, that the true meaning of the M'Naghten rule according to modern jurisprudence is to ensure that without proof of *mens rea*—that is, without proof that a man is capable of knowing, and in fact knows, that what he is doing is wrong—he shall not be convicted, whether he is sane or insane.

Mr. Justice Holmes has said that laws exist not for the scientific satisfaction of the legal mind but for the convenience of the lay people. One of the real problems—and surely this is spelled out very clearly in the report of the McRuer royal commission to which I have referred—is the problem of what we can provide by way of substitution for the test set out in the M'Naghten rules. Proposed in this bill is a new text—that a person is insane if the act or omission is the product of mental disease or defect. But what does that mean?

It is conceivable that such words could produce great difficulty, Mr. Speaker. Certainly this language "the product of mental disease or defect" is fraught with all kinds of difficulties. We could then have a most learned argument among psychiatrists. What the M'Naghten rules have assuredly done, both in English jurisprudence and Canadian jurisprudence, is to provide some standard of certainty. Lord Devlin suggested that there really is not much of a problem any more about the test of knowing the nature or quality of the act because obviously if a man does not know the nature or quality of the

act he will be certifiable and he will never come up for trial. The real question is whether or not he also knows the act was wrong. Lord Devlin poses the rather important question of why we should seek to have one standard for a person of normal mind and another standard with respect to morality for a person who has something less than a normal mind. I quite appreciate the liberal sentiments and the humanitarianism of my hon. friend—

Mr. Brewin: It is just common sense.

Mr. Matheson: —in presenting this bill to the house, but why should a man of a somewhat diseased mind be free to do what he knows is wrong any more than any other person? If we are prepared to effect reform by way of penalty, if we are able in a particular case to allow psychiatric evidence and advice to come into the picture, whether it is a matter involving sexual assault or murder or other crimes that may be attributable in some way to mental abnormality, if we are able to consider these factors, in what way is the convicted person hurt?

Lord Devlin has indicated to us this proposition, that one of the important things from the standpoint of treatment is that the person who has control over the individual with the diseased mind will have some kind of certainty with respect to controlling treatment. I am sure there is not a member in the house interested in penology who is satisfied that we are doing what we should in our penitentiaries or jails with respect to psychiatric care. Quite frankly, we do not have enough people to do this important work.

Mr. Fisher: Why do you not spend a lot more money on it?

Mr. Matheson: I think we should. I hold the view that such treatment is of critical importance. At this time we are rapidly moving toward a figure of 10,000 people in our federal penitentiaries. It is obvious we are not providing nearly enough treatment services. I am addressing myself however to the argument placed before us by Lord Devlin with regard to a person who is convicted, for instance, of the crime of arson as suggested by the distinguished proponent of the bill, namely that if the individual is confined for a certain length of time it is possible for the psychiatrist to work with him and if the man makes notable progress the psychiatrist will be the first to make a recommendation through the proper channels that the man be allowed out on parole or ticket of leave or something of that kind which, while allowing the man his liberty, will at the same time ensure the continued treatment that is so necessary in this type of case.

Does it help simply to throw out this proven test, which is ultimately the old test of *mens rea*? When we boil down the rule in M'Naghten's case what we really find is that only a man who in fact knows that what he is doing is wrong shall be convicted, whether he be sane or insane. If the Criminal Code were to be changed in the manner suggested in the bill we could have a situation where a guilty minded person could walk out of a court room free. It is true there are other provisions now under the Criminal Code whereby the court could actually order that a man be placed under mental observation. I think this is the kind of thing we may be compelled to do in a good many cases where there is not actually a conviction but where a person comes clearly within the terms defined in Bill C-14.

What harm is there if such a person is actually convicted of the criminal offence charged when he comes before an intelligent court that is prepared to listen to psychiatric evidence and to be guided by it on the question of whether or not the man should go to a penitentiary or to jail or to a hospital, or should even be kept under psychiatric observation in his own home for some time? I am sure that the contribution made by the hon. member in bringing this bill to the attention of the house is worth while. I do not think it is fair to overemphasize the fact that there was a minority report by the royal commission. Chief Justice McRuer has a high reputation, as the hon. member himself said, among those who are interested in criminal jurisprudence.

Mr. Brewin: The minority report makes very good sense, if you read it.

Mr. Matheson: I have read the minority report and I have very high respect for Her Honour, Judge Kinnear. However, I would point out that the chief justice of the high court of Ontario, who has conducted many capital cases and has had a long and wide training in criminal law, obviously has benefited from much broader experience, much closer, I submit, to the experience of Lord Devlin, than can possibly have been had by such a distinguished and scholarly person as Her Honour Judge Helen Kinnear.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I want to make some very brief observations. I agree with what the hon. member who proposed the bill has said. His argument was reasoned, eloquent and very intelligent and I accept it in its entirety. I do want to point out to the house that I understand that last year a committee on criminal law reform was established in the United Kingdom and in its third or fourth report it dealt with this

matter among other things. Although I do not have the material here, it is my recollection that as a result of the committee's report the principle of diminishing responsibility was introduced in the United Kingdom.

Finally, I want to put forward the proposition that if at the time the M'Naghten rules were laid down there had been medical people with the knowledge and learning that exists today in the field of psychiatry the M'Naghten rules would not have been laid down as they were then. We would have had rules far more humane, far more intelligent and far more in line with what we should have in this country today.

Some hon. Members: Question.

Mr. Fisher: Carried.

Mr. Deputy Speaker: Order. The hour appointed for consideration of private members' business having expired the house will revert to the consideration of the business interrupted at five o'clock.

SUPPLY

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

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

Mr. Martin (Timmins): Mr. Chairman, before five o'clock I had been dealing with the problems faced by the farmers in my constituency over the past four years as well as the danger that is hanging over their heads at the moment as a result of the very unusual conditions occurring this winter. These conditions result from a combination of a heavy snowfall without a thaw, and also the fact that there has been very little frost in the ground. As any good Canadian, particularly from the northern part of Canada, will realize this is a very dangerous combination.

I was wondering, Mr. Chairman, if the minister had given any thought to this matter, if he has any plans to meet a situation of this kind or if this situation had come to his attention. The farmers of northern Ontario have always been in a very unfortunate situation. When anyone in Canada, or possibly any place else in the world, thinks about northern Ontario he generally thinks of gold mines, copper, zinc, asbestos, silver and so on. Few people realize the farming potential of this part of the country. I believe that as time goes on and as we see what is developing in southern Ontario where some of the choice farmland in Canada is being gobbled up by sprawling factories and so forth, we will come to realize very quickly that this great farm country of the north is capable of great things. I do not think there is any question about that at all.

The question I am raising tonight is this: When this country comes into its own, will the farmers who have struggled for so long to develop these farms still be there to benefit, or will they be forced by circumstances such as I have outlined here tonight to leave those farms? One farmer told me that the vegetable farmers of Ontario are in a very tough situation. At about the time the crops down in the Niagara peninsula come on the market, they meet competition from the tail end of the United States production. Then when the production from the Holland marshes come on the market, it meets competition from the tail end of the production in the Niagara peninsula. When the agricultural production of northern Ontario comes along, it meets competition from the tail end of the production from the Holland marshes. The result is that the vegetable farmers are faced with a depressed market all the way along the line. I believe this problem has been sadly neglected in the past. I believe more attention should be paid to it, and I would be interested in hearing from the minister whether or not he has any plans or if these farmers are really as forgotten as some of them seem to believe they are.

Mr. Peters: I had expected the minister would like to answer some of these questions that have been raised. However he may intend to do this later, because I think we are going to have some time during which he will be able to answer these questions. We have heard a great deal about how important this item in the estimates is. While I know that the amount of money is not large compared with the over-all cost of the department, it is an administrative item and therefore there is a great deal of interest in it beyond what would be warranted by the amount of money it covers.

I was interested this afternoon in the statement made by the minister as well as the one he made on March 26. In my opinion, these statements were long overdue. I have always been one of those who felt that the minister, if he were as good an auctioneer as people say, and keeping in mind the Hays farms in Ontario, might be one with whom it would be unwise to tangle. I am quite sure he has capabilities which have not been apparent to date. However as I say I was pleased to hear the statement he made today. I should like to congratulate both the minister and Mr. Phillips who, I believe, probably had something to do with writing his speech. I have met Mr. Phillips a number of times. He

is a very smart gentleman from the Department of Agriculture who acted as public relations man for the agriculture committee. While I do not know his functions, I do know that he has many of the answers to the problems of agriculture. I think this is what we want in parliament—some answers.

The problems of agriculture are pretty well known to anyone who is interested in reading any of the farm publications. These problems have been faced by farmers for many years. It is true that many of these problems cannot be solved by the farmers themselves. They are going to have to be assisted through government agencies, through research and marketing schemes. I believe the role of the Department of Agriculture will be found in the field of redevelopment. I have been concerned by some of the statements that have been made in relation to ARDA. I believe it is true that ARDA was not born overnight. It was not a program developed to solve any particular problem at a specific time, but was a program for rural redevelopment and was aimed at solving some of the problems of agriculture over a long period of time.

I am surprised when I hear the minister say how much better it has been in the last few months than it has been for several years. I wonder how much better. I do not think it is good enough to say there have been so many loans advanced or so much money spent under the ARDA program. I feel we want to know the direction in which the program is heading. We should like to know how much progress has been made in this program for the redevelopment of agriculture. This is a long term program and the amount of money that is being spent is not of particular interest. What is of interest is what is being accomplished with whatever money is being spent. We know that agricultural matters will no doubt receive a great deal of attention during the latter part of this week at the dominion-provincial conference taking place in Quebec, because there is a similarity in the problem as between one province and another. Of course the similarity in that respect is not as marked in what is being done under ARDA.

We used to listen with rapt attention to the former minister of agriculture when he was telling us his dream that all the problems of agriculture would be solved by the ARDA program. But at one time we saw ARDA being used as one of the political planks in an election campaign, and it was something we were no happier about then than we are now, when we hear the present minister talking about endorsing more ARDA projects over the last few months than were endorsed in the preceding number of years.

This is not too important. What is important is the result of the projects being developed, in what field they are being developed, and how they fit in with the over-all picture. If ARDA is to solve the problems of the farmer we should know in what field ARDA development is taking place.

Many years ago in eastern Ontario a farmer could make a good living off 20 acres of arable land. He might have had a 160 acre farm, although many of the farms in the Ottawa valley were just 80 acres; but the farmers' living was made off 15 or 20 acres of cultivated land. Many of the farms had, and still have, up to 40 acres of substandard land which does not produce a reasonable crop.

It is interesting to know how much agriculture produces in earned income. Just the other day we were talking to a farmer who had a specialized crop and who estimated he was getting $5,000 an acre from his farm. In western Canada an acre produces about 17 bushels of wheat, which nets about $35 an acre. There are many farmers in eastern Canada who earn less than that per acre. In fact there are some who do not get more than several hundred dollars net income from their entire farms.

It was with this in mind that I personally endorsed the ARDA program and felt it had a role to play in the future of agriculture. This meant we would do some of the things which the former minister of agriculture advocated, although we disagreed with some of the things he said because they were too visionary. It may not have been possible to put one farmer in charge of a block of 20 or 30 farms and have him handle the reforestation, working for the government as a tree farmer and supplementing his income up until the time the trees were of harvestable size, although this is something that is being done by many municipalities in the United States which have small wood lots from which they raise enough money to pay the total taxes of the townships.

I believe we should receive a detailed report from the minister with regard to what is happening. I can tell him what is happening with one ARDA project in my area. It is a project I welcome, where the provincial government has taken in an area of about 640 acres, about half of which is cleared. It is very good land, and in my opinion will provide grazing for quite a large number of cattle. In fact it is safe to say its productivity will be equal, in grazing terms, to a plot five times that size in western Canada. But without waiting to see what development the ARDA people would do, some

businessmen in the area have made application to run beef cattle on that land. They wish to rent it themselves and put up the money to raise cattle.

I am sure the government would not be willing to provide those businessmen with a feeding lot to fatten their cattle, but there are some businessmen under the impression that this is going to happen. If it did develop this way, then it would be a very poor method of helping to solve agricultural problems.

I have before me the figures which the minister gave in relation to the number of projects developed under ARDA, but it is important that he tell us what the intention of the government is in relation to ARDA as it affects rural development today. If the government intends to reforest many of the substandard agricultural lands I believe that is worthwhile, but it is not a project suitable to my area. Community pasture is something which will work in some areas but it is completely unsuitable in others. The need for pasture is being met on a commercial basis by companies set up for that purpose in many areas, and this is something which should be considered.

There has been a very bad approach to water conservation in many parts of the country, particularly in Ontario where there is such a great abundance of water but where nothing is being done to conserve it. The little clay belt in northern Ontario at one time had an abundance of water, but in Timiskaming over the last five or six years farmers have had to deepen their wells because the table level has been continuously dropping.

This is one area in which the federal government is responsible because it provides the moneys for the construction of reservoirs on small streams and rivers.

I next wish to deal with the problem of farm credit. Those of us who had anything to do with the Veterans Land Act were very pleased with the amount of credit given under V.L.A. for the benefit of veterans. Most of the veterans had a very happy record of repayment and, more important, the number of veterans who settled on the land and who could make a living off it was very sizeable. Everyone agreed when the old farm loan board gave way to credits arrangements made through the Farm Credit Corporation that this was a step in the right direction. There were weaknesses, of course, and one of the weaknesses was that seldom, if ever, was the land given a proper valuation where it was to be used solely for the purposes of agriculture.

[Mr. Peters.]

It is easy to value land at reasonable rates in the Toronto area where the industrial community is vying with the agricultural purchaser for land. Land values become substantially increased and probably bear a fair relationship to the agricultural potential of that land. In many cases the agricultural potential is far below the actual value of the land. But in other areas, in my own area in particular, the cost of clearing the land is greater than the value which the department allows for a loan in respect of that land. I am not talking about land cleared a hundred years ago. This is land which was cleared within my own lifetime. I believe it is not too difficult to ascertain its true value because one has at least to take into account the total cost of clearing the land and the work done on it. It seems to me that the value placed on such land is often far too low.

There is another problem to which I should like to direct attention. How can young people be encouraged to become farmers? Unless their fathers are willing to mortgage the home farm it is impossible today for young lads to go out and buy enough land to set themselves up as farmers. I know of no young farmer who was able, on his own, to buy a farm which was an economic unit. Yet is this not exactly what we have to make possible in order to get young people on the farms? I say this in the light of the fact that the average age of our farmers today is well over 50. It seems to me this is one of the fields in which the Minister of Agriculture should engage his efforts, and that he should give the committee the benefit of any studies he has conducted with regard to this problem. It may be that the federal government will have to make available to more young farmers the type of education which is given at the Ontario Agricultural College, Kemptville, and some of the other junior colleges. This would make it possible for a department to evaluate the knowledge of students attending the courses who are likely to need to borrow comparatively large sums of money to purchase the agricultural land they will require.

The minister knows that many people who have been farming for a long time are only now able to pay off mortgages they raised many years ago. So agriculture is not in the happy state in which some other industries find themselves. The future does not look good and this is because we have not yet given to agriculture the over-all consideration it deserves. The other day the minister read out a list of acts affecting agriculture. He said the administration of these acts formed part of his responsibilities and that the taking away of one or two of these measures did not make a very big difference. I disagree. I think the minister must be well aware that the

establishment of these various agencies within his administration has only been an excuse for not developing an over-all policy which would concern itself with agriculture in general. On many occasions farm organizations come to Ottawa and ask for a handout, or perhaps I should say for specific pieces of legislation to help in a particular field. Even the stabilization act, from which farmers derive so much benefit, concerns itself with a specific field. Its benefits are felt in specific areas and it is difficult to relate them to any over-all agricultural policy. I think the time has arrived when we should make up our minds what we intend to do about agriculture, what the potential is, how it relates to the industrial potential of this country and what its future is likely to be.

Earlier this afternoon the minister mentioned that when he was in Argentina the people there told him that Canada was known for three things—pulp, that is, paper; dairy cattle and wheat. I was asked the other day if I would be willing to help in the purchase of a large number of cattle for the export market. I do not consider that I am qualified to do this job. I was asked because I do have some knowledge of the dairy field and I suppose if it were a question of buying black and white cows I could have been of some assistance.

An hon. Member: From Kirkland Lake?

Mr. Peters: No, we do not buy cows from Kirkland Lake, but in New Liskeard we export cattle all over the area, even to Rouyn and the ridings of other hon. members from Quebec who are here this evening. We are always happy to export them there, because the provincial government grants a subsidy on purebred cattle which are exported and this means we get a much better price, particularly in Abitibi and Timiskaming, for cattle exported to Quebec than to many other areas. However, a problem has arisen with regard to the export of cattle. Everyone is aware that when we ship wheat from Canada the Canadian government guarantees the grade and condition of that commodity. Yet this does not apply in the case of cattle exports.

A year ago we allowed the shipment of a large number of cattle to Cuba which gave the industry in Canada a very bad name. As I understand it, when he hired a buyer to buy cattle, Castro specified a maximum price to be paid. This meant that the buyer was not necessarily buying the best cattle available; he was buying in a limited market. I think the result did a great deal to hurt the market we had established in central and south America where our standard, for a number of years, has been very good. We are selling now, to countries like British Guiana, and the government of that country is interested in supporting the registry which has been established in Canada. I think this is a field in which the government should be taking a much more active interest in order that the best possible commodity may be supplied from Canada, leading in turn to the establishment of a better reputation and of a higher volume of sales abroad. I think the government should supervise these operations and give assistance to private enterprise in this field.

The minister will be happy to know that when I had been consulted in this connection I had expressed the opinion that the Hays farms were able to give the best service. The Hays farms is the one place to go because they have the facilities to look after a large quantity of stock. While this is a private enterprise I think it is impossible to guarantee classification and a grade that will be maintained. This must be done in a way which will maintain the standard. I think this is more important at the present time than the money that is being paid for those commodities.

The minister of course is aware that in agriculture there are many other fields which need some assistance now. One of those fields is going to involve the assistance that he has from the branches with which he is now connected, but it is also going to need the assistance of other departments, one of which is the Department of Trade and Commerce. I refer of course to sugar beets. If you ask the housewife in Canada today what is the greatest problem in this country, she will tell you it is the price of sugar. If you travel over every part of Canada this is probably the problem that she will say rates highest on the list of Canadian problems—that is, the price of sugar. If this is so, why do we not decide to grow sugar beets, and why does not the government decide right now that they will guarantee and underwrite the price of sugar and will govern the import of cane sugar, so we can provide a restrictive market for sugar in this country and the means of supplying a large section of the sugar industry with home produced sugar beets. As everyone knows, the sugar beet industry can be expanded rapidly in Canada. We could plan this spring to provide, probably, enough sugar beets to supply the needs of Canada without a great deal of effort. But to do this we would have to guarantee the producers of the sugar beets a reasonable return for their money. Many farmers who produced tobacco last year would find it advantageous to go out of tobacco this year, and they would find their land to be quite capable of producing an immense tonnage of sugar beets.

This does not apply only to my area. In the province of Manitoba there are areas which are producing almost half the requirements of that province. I can remember as a young lad that in northern Ontario we were producing mangolds and sugar beets, and it seemed there were miles and miles of rows that had to be hoed by hand. These were large sugar beets, as I remember, and I am sure that most parts of Ontario and Quebec are suitable for the production of this commodity. It is a very simple matter. This is not something for which you have to plan, like beef cattle, where it takes three or four years to get into the field and costs a very large amount of money. All you would have to do in this connection is be assured of a market. Every farmer could plant sugar beet seed and be in production almost overnight. I am also informed that the facilities necessary to convert this commodity for the raw sugar industry do not constitute an expensive proposition. What does the minister say about it? So far he has been silent. Here he has an opportunity to do something in this connection with a very simple subsidy and a guaranteed floor price for sugar beets. He can provide a set price for sugar for every housewife in Canada. He would be the darling of every Canadian housewife and every Canadian mother. When the housewife went to the store, she would find that sugar was the same price this month as it was last month, and it would be the same price in the months to come. The minister can provide this guaranteed price for sugar with the very simple expedient of determining now a policy in this connection. I think this is all the country asks in agriculture namely that we provide leadership.

I was approached not long ago by the cheese producers.

An hon. Member: How wonderful.

Mr. Peters: Well, Mr. Chairman, there is a backbencher over there who does not say much when standing up, but sometimes makes an odd comment—and they are always odd. I had a very interesting talk with the officials of the Ontario cheese producers association. I am not going to outline the mechanics of the plan they proposed, but they are of the opinion that a 1 cent subsidy this year will solve many of the problems in both the domestic and export cheese markets. Hon. members may be aware that the Ontario cheese producers were able to sell last year almost 10 million pounds more cheese than they did the year before; and they were able to absorb this through their marketing agency. They expect this to be increased this year, if they are lucky and other aspects of the dairy industry remain the same. If this is the case, they will have an increase in their sales volume.

The Chairman: Order. I am sorry to interrupt the hon. member, but his time has expired. Shall the resolution carry?

Mr. Howard: Mr. Chairman, would you mind a member from an area that is highly dependant upon fish and fisheries products making a comment or two about agricultural matters? While the city of Prince Rupert is perhaps considered to be the salmon and halibut capital of the world, it is also vitally interested in grain and in the shipment of grain for export, because we have there one of the terminal elevators of the Canadian government. I should like to make a comment or two about this matter and hope that before this item passes the minister will indicate to the committee what the government intends to do and will give us information which is a little more expansive than he has given to the house so far with regard to this grain elevator. I have asked the minister on a number of occasions about this. I have asked questions on the orders of the day about it, and the answer I get on each occasion is that the matter is under consideration. This has been going on for some weeks now—in fact, ever since the house reconvened. We would like to know at least whether the minister is getting near the end of his period of consideration and whether he is in a position to make some announcement on this question.

This is a question not only of vital importance to the economy and the people of Prince Rupert but to Canadian National Railways, who would ship the grain by boxcar into Rupert and to the farmers on the prairies who produce and store that grain, particularly barley, for which the Prince Rupert elevator has been used for some time. I will not go into the economic reasons, the statistical analysis and other arguments for the increase of the capacity of the grain elevator in Prince Rupert, which incidentally have been presented to the minister on a number of occasions, and latterly in a very well documented and prepared brief by the Prince Rupert chamber of commerce of last November, of which I have additional copies which I hope to distribute to the members of the agricultural committee when and if it ever gets mobile.

I wonder whether, to give what I think is an interpretation which is favourable with regard to the consideration the minister is giving to this matter, I could quote briefly from some correspondence dating back to January of last year. I wish to quote just a sentence or two. One of the letters is dated

January 15, 1963 from Hon. Alvin Hamilton, the then minister of agriculture, and is addressed to Mr. Edward T. Applewhaite, who was then the secretary of the Prince Rupert chamber of commerce. I might say that Mr. Applewhaite was a former member of this house and occupied the esteemed position that you hold, Mr. Chairman. He was well respected by everyone in the house on that occasion, and I have the privilege of succeeding him in office. In this letter to Mr. Applewhaite of January a year ago Mr. Hamilton winds up by saying this:

The conclusion we came to after very careful consideration is that we cannot at this time recommend an increase in the capacity of the Prince Rupert elevator. I have requested the board to keep the matter under constant review, bearing in mind the current pattern of grain movement.

I think he would be referring there to the board of grain commissioners who had authorized a study of and an inquiry into this question, and incidentally they reported and recommended favourably on an increase in the facilities at Prince Rupert.

Then on May 23, 1963 there was a further exchange of correspondence between the Prince Rupert chamber of commerce and the minister. On that day the present minister wrote a letter—at least, I have a photocopy of a letter which bears a rubber stamp indicating it had originally been signed by H. W. Hays—the last sentence of which is as follows:

However, the situation is that the government is planning no present extension of its elevator facilities on the Pacific coast.

It will be recalled that this was at the time, or just prior to the time, of the last immense sale of grain.

In the fall of last year when that announcement was made the premier of British Columbia, Hon. W. A. C. Bennett, sent a telegram to the Minister of Trade and Commerce congratulating him and the government on arranging the largest ever sale of Canadian grain. The premier's telegram is in part, as follows:

The shipments will tax the handling capacity of Canadian ports and I would ask you to give special consideration to the port of Prince Rupert. If there is any way our government can be of assistance to you in this matter please call on us.

So in September of last year there was an offer of assistance from the premier and the government of the province of British Columbia.

The reply to that telegram of the Minister of Trade and Commerce on September 27 was, in part, as follows:

You may rest assured that the port of Prince Rupert will be used to its utmost capacity right up to the end of next July.

So there is an indication of a more favourable attitude toward the use of the grain elevator at Prince Rupert as at September of last year.

Then His Worship Mayor Lester of the city of Prince Rupert sent a telegram to the Minister of Agriculture about this matter on October 3 last. The Minister of Trade and Commerce, in replying to that telegram—and this is a most significant statement and far more important than any of the others which had been made prior to it—said this:

The Prince Rupert elevator is one of the most efficiently operated in all Canada—

which is what everyone who has any knowledge of its operations has always said—

—and I can assure you that fuller use will be made of its facilities.

You will have noticed earlier, Mr. Chairman, that in writing to the premier of British Columbia in September of last year the Minister of Trade and Commerce had said that "the port of Prince Rupert will be used to its utmost capacity". Then later on in October of last year, in writing to the mayor of the city of Prince Rupert, he said "and I can assure you that fuller use will be made of its facilities". All of that indicates that there is a growing need to increase the capacity of the grain elevator in Prince Rupert.

I also have before me, Mr. Chairman, a memorandum to the board of grain commissioners which recommends favourably in this regard. I should like to quote part of this memorandum.

It is our considered opinion that even with additional storage capacity of one million bushels, the maximum volume of grain which could efficiently be handled through the Prince Rupert terminal annually would amount to no more than 12 million bushels. This amount was, in fact, handled at Prince Rupert in the year 1952-53, but it must be stated that it was not an efficient operation because of the limited capacity of the elevator. For most of the years since the elevator was reopened in 1951, we have handled approximately 10 million bushels through the terminal each year and in each of these years the operation could not be considered efficient for the same reason mentioned above.

To support our contention that an additional one million bushels storage space is required at Prince Rupert to have an efficient operation with the same annual volume as is presently being handled, we wish to make the following observations which we feel would justify the necessary expenditure for the additional storage.

I do not want to read the memorandum in its entirety, because it is a document of three pages, but facts and statistics are given in detail as to why the grain elevator in Prince Rupert should be expanded. The memorandum, which incidentally is dated April 12, 1962, almost two years ago now, concludes in the last two paragraphs as follows:

Certain other advantages would accrue from the additional storage, such as much easier planning for the Canadian wheat board and the ability to handle more than one grain.

The present workhouse is capable of handling a volume of 12 million bushels annually. We feel that the additional one million bushels storage space, which we feel is necessary, would be justified by the savings in overtime and casual payrolls which can be effected over a period of years.

This memorandum was respectfully submitted by Mr. A. H. Wilson, general manager of the Canadian government elevators.

Without going further into all the reasons and arguments, apart from the necessity, for increasing the facilities in Prince Rupert I would merely ask the minister once more whether he has come to any conclusion about this particular grain elevator and the need for expansion. There is no real argument against the expansion of the facilities there. Surely if we are going to proceed year after year working that elevator—and it is one that we own—almost to its full capacity, which is in the neighbourhood of 10 or 11 million bushels, in an inefficient way when the expenditure of perhaps $1,250,000 or $1,500,000 at the outside, from what I have been told, would make its operation more efficient, then surely we should go ahead with that expenditure. I cannot say anything else, except to ask the minister please to finish his considerations and tell us what he is going to do. I ask him to be efficient in his own considerations and to expand the most efficient grain elevator in all Canada, namely the elevator at Prince Rupert, and make it even doubly efficient. How about it?

The Chairman: Shall the item carry?

Mr. Howard: No; we have at least one unanswered question, Mr. Chairman.

Mr. Hays: Mr. Chairman, with regard to the terminal elevator at Prince Rupert, this elevator is designed to carry 1,250,000 bushels and it handles a turnover of 850,000 bushels. This year it was to be used for No. 5 wheat, but we had a very small amount of No. 5 wheat owing to climatic conditions. The grades were much higher than anyone anticipated, I think. I am quite sympathetic to what the hon. member has said, and I am sorry that I cannot say tonight some of the things I should like to say. But I can say this, that all of the storage facilities which are controlled by the Canadian government in one way or another have been carefully discussed, and I hope in the not too distant future that we will be able to present something to the hon. member which will be satisfactory in so far as the Prince Rupert terminal is concerned.

Mr. Rapp: How about the Tisdale terminal?

Mr. Howard: Mr. Chairman, I certainly appreciate the minister's answer although I am sorry it was not more definite, because this matter has been on the fire for some years now. In fact, two years ago the previous government ordered an inquiry to be made into the matter and that inquiry reported favourably. It is true that the government of that day did not do anything, but this was typical of them and I was hoping we would have a different approach and that the present government would move with speed and alacrity, if for no other reason than by way of contrast to the lack of action which existed before.

I should like to make these comments with respect to what the minister has said. It is true that the elevator's capacity is reputed to be 1,250,000 bushels. However, it is well known that for one reason or another the rated capacity is very seldom reached because the elevator just does not handle that amount of grain. Taking into account the cleaning process, the different grades handled, the fact that some of the bins may not be full and things of that sort, I think that the proper figure for its working capacity is in the neighbourhood, as the minister said I believe, of 850,000 bushels. I gather this is what the board of grain commissioners says is the figure, although the people in Prince Rupert put the figure closer to 900,000. I have also heard the figure of 800,000 used for the working capacity of the elevator; but the fact is that the figure we should look at for the working capacity is between 800,000 and 900,000 bushels. This is the basis on which the elevator operates—not what it will hold if every bin is filled right to the top, a situation that I would say would never develop.

I think I should also point out that with a working capacity of 800,000 to 900,000 bushels the elevator is never in a position of having sufficient storage space to load two ships at the same time. After the elevator has loaded one ship the next ship has to wait until the storage capacity is filled up again and the grain goes through the cleaning process and so on.

I have a letter here from the Minister of Trade and Commerce pointing up the matter of the size of the ships, which is an additional factor in considering the expansion of the facilities there. On October 31 last the Minister of Trade and Commerce wrote me in reply to a letter of mine complaining about the small amount of grain moving through the port. Apart from other information in the letter he had this to say:

In early October a vessel left Prince Rupert with an all-time, record-high volume of grain, viz. 786,000 bushels of No. 5 wheat, destined for

China. On October 23, the vessel *Amstelstad* was loading over half a million bushels of No. 5 wheat at Prince Rupert, also destined for China.

We have an elevator here with a working capacity of 800,000 to 900,000 bushels and if one ship comes along, as happened, and takes 786,000 bushels of grain there is not very much left for another ship that might be in port or might be coming into the port. The result is that this second ship has to wait until sufficient grain has been moved into the port by the C.N.R., and the grain has been cleaned and so on. I merely point this out for the benefit of those who may not be familiar with the situation. While the rated capacity of the elevator is a million and a quarter bushels, as the minister says, that is not the figure we should concern ourselves with but rather the operating capacity which is such that one ship can take a sufficient amount out of the elevator to leave the elevator in the position of not being able to be used to load grain after the ship has left.

As I say, we appreciate the statement of the minister and I intend to communicate immediately with the people in Prince Rupert. Every day that I and the minister are here on orders of the day I intend to ask him further questions with respect to whether he has finished his consideration of this matter.

The Chairman: Shall the vote carry?

Mr. Martin (Timmins): Mr. Chairman, while the minister is in such a genial mood and before we leave this item perhaps he could answer the questions I raised about the farmers of the Timmins area, the problem they are faced with and whether the government is better prepared to meet the situation than was the case four years ago.

Mr. Hays: I think the hon. member asked two questions. One had to do with the climatic conditions existing this year with 12-foot snow drifts. The government co-operates of course with the governments of the provinces if help is needed in such areas. If flood conditions arise or other disasters take place and the province declares that they cannot cope with the problem then the federal government comes into the picture and helps. This has been done in Nova Scotia and Alberta I think we also helped the government of British Columbia this year in moving feed into such areas.

In connection with the vegetables that the hon. member mentioned, may I say that we do have a seasonal duty. I do not recall just how much it is. Sometimes it is in effect for seven or eight weeks and applies to peaches, for instance, or any of these seasonal crops. I would be glad to get this information for the hon. member so he will be familiar with the situation and I would be interested in knowing what crops are involved in the problem. Certainly we would be glad to take a look at the matter.

Mr. Peters: Mr. Chairman, with relation to the crop problem I wonder whether it has come to the minister's attention that in Ontario difficulty has developed in small areas and the problem has been solved in many ways over a period of time. I should like to draw on only one example. The hon. member for Timmins has the same problem but it is fairly specific. In my constituency we had limited area damage by hail last fall, but the damage in that limited area involving about two townships was almost complete, so far as feed grain is concerned to meet the farmers' requirements for the year.

The situation is such that crop insurance as we know it federally, or as it has been developed provincially and municipally, is of no value to the farmers in my area because of the fact that they are engaged in mixed farming. If they had a guaranteed revenue from their feed grain this would only represent one tenth of their cash crop and, in fact, the feed grain is used in the production of their cash crop generally. However, the damage was sufficient to eliminate all their income because they had to go out and purchase feed grain. The result is that they are now in the position where it will be almost impossible for them to get seed grain this spring. They feel, and I think justifiably so, that they should be able to look to the provincial or federal governments for assistance in the purchase of certified seed grain to meet their requirements and that this should not be done as it has been in many years with relation to other seed grain programs of an emergency nature, whereby repayment was taken care of by making it a charge on the land itself.

A petition has been forwarded to the provincial department of agriculture from my area in this regard and I am sure that the minister will be asked for some assistance. It should be borne in mind that this only highlights the problem that we have had with crop insurance and the ability of the farmers in many areas of Canada to take advantage of crop insurance. In this particular case the major part of the income of the farmers is derived either from beef or dairy products, and crop insurance would have very little effect because the farmer would have to insure grass, hay and feed grains.

The possibilities of insurance against hail damage were very small. The fact that such damage does not occur too often in some localities has meant that it has been a very expensive proposition for the farmer to carry hail insurance.

I believe that the problem raised by the hon. member for Timmins calls into question the whole crop insurance program. I am not asking the minister for an answer tonight, but I would suggest that the crop insurance program instituted by the former government has been in effect long enough for us to see that there are many weaknesses in the program. The majority of farmers can take no advantage of it whatever. I hope the minister will keep this fact in mind because it is one of the major problems of farmers, in so far as crop damage is concerned.

Item agreed to.

25e. Institutes, stations, farms, laboratories and services—operation and maintenance—to extend the purposes of vote 25 of the main estimates for 1963-64 to include a grant of $3,635 to assist in publishing a scientific treatise, $1.

Mr. Thomas: May we have an explanation of this vote? It is stated that the grant amounts to $3,635, and yet there is only one dollar listed in the estimates.

Mr. McIlraith: The significance of the one dollar item is that the vote authorizing the publication contains enough money, and this was in the main estimates, but the wording of the item is not wide enough to permit the grant to be used for this publication.

[*Translation*]

Mr. Pigeon: Mr. Chairman, I should like to ask the Minister of Agriculture whether it is his intention to increase subsidies granted for research work carried out at the experimental farm of L'Assomption concerning tobacco of different varieties, as well as fruits and vegetables?

[*Text*]

Mr. Hays: We do a great deal of research at both Harrow and Delhi in so far as tobacco is concerned. We do a great deal of research at Summerland, British Columbia and also in Vineland in so far as food is concerned. I believe that in the estimates this year we have pretty well covered this area but I would be glad to take the hon. member's question into consideration and see whether these stations are receiving ample amounts in so far as tobacco research is concerned.

[*Translation*]

Mr. Pigeon: Mr. Chairman, I would like to say one more word. I am in favour of continuing research at Delhi and Harrow, but we must not forget that the temperature and the soil are quite different from what they are in the province of Quebec, and it is imperative for certain varieties of tobacco, such as cigar tobacco, that experimental research be carried out at L'Assomption, and not in another province.

[Mr. Peters.]

[*Text*]

Item agreed to.

30e. Institutes, stations, farms, laboratories and services—construction or acquisition of buildings, works, land and equipment, $220,000.

Mr. Thomas: Could we have an explanation of where these buildings are being placed? Is it one building or several?

Mr. Hays: You mean an explanation of item 30e?

Mr. Thomas: Right.

Mr. Hays: The main estimates amount to $3,525,000 and the supplementary estimate is for $220,000. This money is required for expenditures in connection with a steam converter, Fredericton, New Brunswick, $11,000; acquisition of land at St. Jean, Quebec, $62,000; acquisition of land at Lennoxville, Quebec, $125,000; construction of a research laboratory and administration building in Swift Current, $169,000; installation of a water main at Lethbridge, Alberta, $46,000. We lost our dairy barn by fire last fall and part of the amount contained in this item was used to rebuild it.

Item agreed to.

50e. Dairy products division—grants and other assistance in accordance with cheese and cheese factory improvement act, $97,500.

Mr. Ricard: According to what the minister was saying this afternoon, his new policy with regard to cheese has been a whale of a success. I should like to ask him now how many new factories were built as a result of this new approach to this dairy product?

Mr. Hays: These cheese factories are privately owned and controlled, but the government did participate in storage facilities for cheese. We did have a large increase in the production of cheese which I think was the result of our dairy policy introduced in May, 1963. As the hon. member for Timiskaming mentioned, we did have a market. The cheese board was successful in selling a great deal more cheese in Great Britain. I think the cheese business is in a very healthy state. These people who have been manufacturing cheese are quite capable of looking after their business, and they make a good product.

Mr. Ricard: I have no quarrel with the minister's statement that our cheese is a very good product. We know that, and we have known that for a long time. However, I should like him to tell me how many new cheese factories have been built as a result of this changed dairy policy?

Mr. Hays: I could not tell the hon. member about the expansion of the factories, but I would be glad to look into it and give him this information later.

Mr. Ricard: I would say there were none.

Mr. Peters: I should like to continue the few remarks I was making about cheese earlier this evening. I did not complete my remarks on the first item because I knew this item would be coming up. I find, from speaking to the cheese producers, that they have been very diligent in obtaining markets. They have been able to develop an excellent market in Great Britain. This is one fact hon. members should remember because this is one agricultural commodity that has been sold at good prices in Great Britain. Last year there was a premium of 17 cents a pound on Canadian cheese sold in Great Britain and there was almost an assured market for that commodity.

I think the Ontario cheese producers should be complimented on the way they have run their agency. Hon. members may be aware of the fact this agency held large quantities of cheese last year to maintain the price and maintain a market. The market in Britain cannot be expanded rapidly, although by very good management the board was able to obtain a market for an extra 10 million pounds of cheese in Great Britain last year. Production had increased by more than that amount, so there was some cheese held in storage. They held it themselves in order to maintain the market. The producers believe that the subsidy on butter made a difference in the price of cheese.

The cheese producers have asked the government to increase the subsidy on the export of premium cheese by 1 cent a pound. They expect this year that they will have to increase their share of the market in Great Britain by 7 million pounds, and they believe production of cheese this year will be 10 million pounds over that of last year, and 20 million pounds over that of two years ago.

The cheese producers work out long term sale contracts with their buyers, with delivery guaranteed at a specified date, something in the way that the wheat board has been able to sell grain on a guaranteed forward price, but they have only been able to do this because they have been able to guarantee that an additional quantity of cheese will not be put on the British market, which would lower the price agreed upon with those buyers who have made advance orders. They are to be commended on doing this, and the minister should be very interested in cooperating with them.

The British market is the type of market upon which our cheese producers should concentrate. It is one that is very stable and warrants the expectation of more exports from Canada. We should look at this amount of $97,000, not in terms of the subsidy we are paying, but in terms of the terrific surplus we had a few years ago and the problem of disposing of surplus dairy products in other ways.

The government is to be commended on the fact that we have been able to increase the amount of the product that can be sold and at the same time not interfere with other dairy commodities. I was always very surprised to find that when the government said it had solved the problem of skimmed milk this was doing nothing to solve the butter problem, and when it was solving the butter problem it was at the same time creating a terrific problem for the cheese industry.

Unless I am very badly misinformed this is a field in which the government has done a good job in assisting the cheese producers. I am pleased the minister has told us we are getting rid of large surpluses we had in the butter field, particularly of butter oil, but I would like him to tell us whether the cheese producers have contacted him about their problem and requested a 1 cent subsidy increase for premium cheese on the export market.

Mr. Hays: In reply to the hon. member's query, as a matter of fact we were paying a premium of 4 cents, and after May 1 we reduced it to 3 cents. We feel that 3 cents is ample, and the cheese board has been able to send quite a bit more cheese to Great Britain. However we feel that an increase of something like 2 million to 4 million pounds of cheese a year is all that can be expected or else the British market may be flooded.

Our cheese is a raw milk cheese. It is produced at the time when the cows are out on grass, and the minute they return to the barn this is the end of the production of cheese that is acceptable for export to Great Britain. We feel that probably the producers of milk for conversion to cheese should take into account this geographical factor, that when the cows are out on grass they produce this cheese which is acceptable for export, and I think the producers are realizing this much more each year.

I do not know how many times I have met with the cheese people, the soft cheese people and the people interested in manufactured milk, and I think we are on top of the problem. At present we have about 50 million pounds of cheese in storage, but we do not want to overproduce because it is much more difficult to store than butter.

We were pleased to level off the consumption of butter and put more milk into the production of cheese. Coupled with this, the world price of powdered milk has increased. All in all, I think the dairy farmers are pretty happy about the way the dairy problems have been resolved, and they have resolved many of them themselves. It has not been entirely due to the government. The dairy farmers have been doing a great deal themselves and we appreciate this.

Mr. Peters: It is this 1 cent in which we are interested. I am quite sure Hector Arnold, the president of the cheese board, has been to see the minister on a number of occasions, and it is this differential between the 4 cents previously paid and the 3 cents now paid that they are interested in. Exports this year will be another 7 million pounds on top of the increase made last year, and the producers believe the additional 1 cent subsidy would allow the board to handle the storage of more cheese without cost to the farmers themselves.

The minister was correct in mentioning that there has been an easing of the problems of the dairy industry and that this has not been entirely due to the government, but I would urge him not to be too confident as there can be an explosion at any moment in the dairy industry because of the new developments taking place in sterile milk products and other aspects of the dairy industry, including the vegetable oil aspect.

In my humble opinion the minister should be prepared to give assistance to the various commodity groups in the dairy industry because before long, whether it is through the system of premiums for grade milk or not, there will have to be an equalization of the price paid to the producer for basic milk as a commodity. I suggest that the minister be sympathetic to the cheese producers, because if cheese production increases greatly there will be an explosion in the problem of storage.

I think it should be clear that the reason why Canadians lost their market in Britain was because the Canadian government was willing to buy that surplus and dump it on British markets to the embarrassment of marketing boards in that country. I think the minister should give more consideration to this board than to some of the other agencies because this board was spending its own money, the money of its own producers, to develop this market, and we should do all we can to see that its activities are maintained and expanded.

Mr. McBain: I think this is the proper item under which to bring up the question I have in mind. I feel the minister himself will be interested in this. I know that years ago he was a producer of Holstein cattle and I must say that some of the top production cows of Canada came from that herd. The other day a handbook came to my desk called "Farming in Canada". It contained 32 pictures and I am wondering what image would be given of agriculture in Canada if these pictures are published abroad. The first has to do with Holstein cows and the words below the picture read: "The Holstein will give eight quarts of milk a day". Well, we know that a quart of milk is two and a half pounds and if a cow milks 300 days a year this amounts to 6,000 pounds. If my memory serves me correctly our annual yield per cow is something like 9,500 pounds. I am wondering whether this booklet was produced under the authority of the Department of Agriculture and whether the minister has had a chance to scrutinize it, in which case I think it should be withdrawn.

In the same publication is a picture showing beef cattle in Ontario. Underneath, is the caption "Aberdeen Angus". These cattle have long horns on them.

An hon. Member: Texas Aberdeens.

Mr. McBain: I hear someone saying "Texas Aberdeens". Well, we know that for years Aberdeen Angus in Canada have been polled. I would say they are definitely shorthorn cattle.

Another picture shows a sow and piglets in Alberta. Well, we did produce one of the outstanding breeds. We had the Lacombe hog a number of years ago. This picture shows a sow with eight piglets. Unfortunately, she only has three faucets on one side of her feeding station; I hope she has three on the other side. No wonder these piglets look thin and undernourished. One is definitely a runt. The sow is not a big hog. I hope the minister will scrutinize these pictures and withdraw them because they will give a poor image of Canadian agriculture abroad.

Mr. Vincent: I have a short question to ask with relation to the Cheese and Cheese Factory Improvement Act. Is the minister in a position to tell the committee if there have been any requests rejected by the government under this act during the fiscal year 1963-64? I have in mind requests for the homologation of factories. Were any requests rejected by the government?

Mr. Hays: I do not know, but I would be pleased to look into this matter and let the hon. member know.

Mr. Alkenbrack: Having just returned to this chamber from my office I do not know for sure whether this subject has been discussed or not, but I think it is important that

it should be brought up before we pass along to another item. In connection with grants and other assistance under the Cheese and Cheese Factory Improvement Act we have found in the past in our part of the country that these small cheese factories play a most important function in our agricultural economy. Many of these factories were founded not to make large profits to divide among shareholders at the year's end, but to supply a means whereby farmers could have a market for their milk. A number of them barely managed to keep going from one year to another, and I am afraid that is still the situation. Amalgamation has been a great thing. We have found it good in our part of the country. But in many areas amalgamations have run their course and if this government really wishes to help farmers in the cheese producing districts it should turn its attention toward helping to provide the funds needed by these small factories for capital investment.

I beg the minister to pay close attention to the following resolution which was passed recently by the Ontario cheese producers association at a meeting here in Ottawa:

> Whereas it is desirable to encourage the diversion of milk to the manufacture of raw milk cheddar cheese
>
> And whereas many of the cheese factories are filled to capacity during the flush season
>
> And whereas it is almost impossible for factories to purchase another plant to form an amalgamation
>
> And whereas the cost of amalgamations are almost prohibitive except with large companies
>
> And whereas the Cheese and Cheese Factory Improvement Act was enacted over 20 years ago
>
> And whereas some of the smaller and medium size plants will require additional plant and equipment facilities to handle the proposed diversion of milk
>
> Therefore be it resolved that the federal government review the Cheese and Cheese Factory Improvement Act and allow subsidization to cheese factories without amalgamation where the need for additional facilities can be proven.

I would underline the importance of action in this regard and suggest to the minister that if he wishes to do something for the cheese industry he should lend his energies along these lines. The country co-operative cheese factories of the type I have mentioned have very little money behind them. If a boiler is condemned by inspectors on the ground that it is unsafe, a real hardship is created because the cost of a new boiler to these small factories is almost prohibitive. In some cases they have been obliged to quit business altogether in situations such as this and I recommend, therefore, that subsidies be allowed to factories of this type with respect to capital investment, excluding trucks.

I do not recommend that any subsidy be given for trucks on the road, but for such things as vats, pumps, pasteurizers, curing room equipment, boilers and the stainless steel, high priced equipment that it is necessary for these cheese factories to buy, in order to compete in the modern methods of production. I think that now is the time, because of the great importance of our raw Canadian cheddar cheese, which is in such great demand in Great Britain and other parts of the world. Here is the chance to help a great industry, a basic industry, a primary industry and an industry, incidentally, that is celebrating its 100th anniversary in the coming year, an industry that throughout a century has helped make Canada great.

Mr. Danforth: Mr. Chairman, I would like to ask the minister whether any progress has been made in negotiations with the United States with regard to increasing their import quota of specialized cheeses from Canada.

Mr. Hays: Mr. Chairman, we have a quota with the United States of 500,000 pounds. I believe that last year we imported something like one million pounds of soft cheeses. I am personally quite hopeful that we will be able to resolve some part of this problem. Certainly over the last few years we have lost a great deal of the United States market in agricultural foods. In 1963 we exported something like $214 million worth; in turn we imported something like $514 million worth. I think we have a very strong case in this regard. They have surplus problems in the United States. I have discussed this matter with the secretary of agriculture and I think if the hon. member will leave this to us—and the U.S. election is not too far off—we are hopeful of getting something done.

Mr. Webb: Mr. Chairman, I would like to ask the minister a question. Because of the proposed action of the governments of Australia and New Zealand to raise their prices to Britain with respect to cheese products, for the first time in four years, and also because of the results of the milk shortage in Britain last year, which resulted in a decline of some 30 per cent in the production of butter and 7 per cent in the production of cheese, would the minister consider offering every incentive to the producers of cheese in order to obtain more of this lucrative business in Britain this year? Last year they were helped to overcome this shortage by the giant surpluses of cheese that they had in stock. I would ask the minister if he would give this matter every consideration.

Mr. Howard: Mr. Chairman, is the Cheese and Cheese Factory Improvement Act, and the grants and subventions under it, one of those things that was subjected to the austerity freeze following the 1962 election?

Mr. Hays: I think this is so, Mr. Chairman.

Mr. Howard: I take it the freeze has been completely thawed out in this item.

Mr. Byrne: We are selling soft cheese now.

Mr. Hays: I think we indicated today that with regard to the three combined grants, warehouses, cheese and cold storage, we had approved 13. I think there are six applications that are being looked at now.

Mr. Howard: Are those applications under the Cold Storage Act, or the Cheese and Cheese Factory Improvement Act?

Mr. Hays: I am not sure of the separation of these; but this combines all three.

Mr. Howard: What I wanted to know primarily was this. We have complained about this situation time and time again, and the Minister of Transport used to do the same thing when he was in opposition. I refer to the operation of the Cold Storage Act and the fact that because it is primarily in the hands of the Department of Agriculture, and because the great bulk of grants and subventions under the Cold Storage Act are for agricultural products, fisheries products applications and cold storage warehouses for fisheries products generally have gotten short shrift from the Department of Agriculture. All I am trying to do is see if we cannot bring some spring thaw to bear on the freeze that applies under the Cold Storage Act.

The other day the minister said there was a partial lifting of this austerity program. He did not go any further than that. I wonder if he could tell us just how his department is operating in connection with the Cold Storage Act. Is the minister agreeing to applications? Has he partially lifted the freeze? What is the criteria; what is the reason? How does one application qualify, when another does not? It would be very helpful to us if we could obtain this information.

Mr. Hays: Mr. Chairman, I may say to the hon. member that the Minister of Transport is doing his very best to thaw us out every day.

Mr. Howard: The Minister of Transport is dealing with a variety of other things. If he spends too much time applying heat to you, then other things in his department are liable to go a little awry; and we have some problems for him also. How about acting on your own initiative, and never mind the prodding of the Minister of Transport?

Mr. Pickersgill: It is going to be flowing shortly.

Mr. Howard: The minister says it is going to be flowing shortly. One could easily expand upon that word "flowing"; it could apply to all sorts of things.

[Mr. Hays.]

Mr. Pickersgill: Perhaps, Mr. Chairman, if we could unfreeze some of these estimates the minister would have a little time to give to unfreezing this matter.

Mr. Howard: That is quite true, but the minister has had all sorts of spare time at his disposal on 'plane and car trips, and so on, recently. It is a wonder he did not do it then, rather than waiting until the last minute and saying that if we unfreeze the estimates, he can do it. I take it, Mr. Chairman, that the minister has agreed that he is going to lift the freeze under the Cold Storage Act, that the Minister of Transport is going to help him lift it and the friends of the Minister of Transport in the cabinet—if he has any—are going to help him to this.

Item agreed to.

Production and marketing branch—

60e. Fruit and vegetable division—Assistance in construction of potato warehouses under terms and conditions approved by the governor in council, $117,000.

Mr. Thomas: Mr. Chairman, could the minister tell us where these potato warehouses are located?

Mr. McIlraith: Mr. Chairman, they are located at Joliette, Mont Laurier and Isle Verte.

[*Translation*]

Mr. Pigeon: Mr. Chairman, before I ask my question, I should like to say how thrilled we would be, while the house is in committee, to hear the eloquent Secretary of State for External Affairs (Mr. Martin) talk to us about agriculture, for he loved to dwell on that subject when he was in opposition and he proved he could talk about agriculture. We are surprised at his diplomatic silence. Now, here is the question I should like to put to the Minister of Agriculture: Was he officially asked by the department of agriculture of the province of Quebec to amend the legislation concerning the construction of potato warehouses? Did he receive a request from the Quebec department of agriculture about that?

[*Text*]

Mr. Hays: If it has been received by the department, it has not arrived at my desk.

Item agreed to.

76e. Health of animals division—Payment of compensation to owners of animals affected with diseases coming under the Animal Contagious Diseases Act, which have died or have been slaughtered in circumstances not covered by the above act and regulations made thereunder, all as detailed in the estimates, $7,946.

Mr. Ricard: Mr. Chairman, I would like to ask the minister if there are any districts in

the province of Quebec where dairy cattle have not yet passed the brucellosis test?

Mr. Hays: I do not think I can give an accurate answer. There are many, many areas which are now brucellosis free. I will be glad to look into this matter and let the hon. member know the position.

Mr. Martineau: Mr. Chairman, while the minister is looking into this question perhaps he will also look at the last listed item under vote No. 76e. I see that this indemnity is payable to one Evert-John Vandenburg and Preferred Finance Corporation Ltd. My question to the minister is, does he not think that this is stretching the law far beyond its original purpose? Surely this finance company is not in the cattle raising business now, and I think there should be some check made on this particular item.

Mr. Hays: I would be glad to look at the conditions under which they raised these cattle.

Mr. Ricard: Is it the intention of the department, in view of the mounting prices of dairy cattle, to increase indemnity payments in cases of slaughtering?

Mr. Hays: Yes, we are looking into this at the moment.

Item agreed to.

91e.—Livestock division—Special grant to royal agricultural winter fair, Toronto, $98,242.

Mr. Peters: Mr. Chairman, last fall I asked the minister what consideration was being given to making grants to other agricultural fairs. The royal is, of course, the largest agricultural fair in the country and has been of great assistance in providing a show window for Canadian produce, but I have received a number of inquiries as to the intention of the government with regard to the support of class B and class C fairs. In my opinion these fairs probably do more for agriculture than many of the big fairs. I do not wish to take anything away from fairs such as the western Ontario fair, or the eastern Ontario fair which is held in Ottawa, or any of the western fairs; but to a certain extent these class A fairs have become, as I am sure the minister will agree, industrialized, and a visitor is likely to see more products of industry at these fairs than at industrial fairs themselves. I have attended the fair in Ottawa on several occasions and have seen demonstrations of all types of industrial machinery. The booths are usually rented, not by agriculturalists or those in related fields but by those in home building fields, automobile manufacturing, and so on.

On the other hand, grade B and grade C fairs, particularly the little ones, produce the results. I have referred before to a family in my area which showed potatoes at a class C fair. After many years this family went on to win the world championship for potatoes. They have gone from the little class C fairs to the royal fair and the Chicago fair and have been exhibitors in all the major agricultural shows of the country. But they got their start to show their produce in a little rural community, how to package it and handle it. They obviously learned how to produce it as well.

A large share of the credit for livestock production goes to the contribution made by some of the kids in the 4-H clubs who have exhibited at class C fairs the cattle they have raised. In many cases they have gone on to become some of the largest breeders in the country. I remember my father telling us about the days when he showed cattle at the Ontario Agricultural College and at the royal, and of the thrill it was. He had exhibited at class B and C fairs and after years of hard work had raised championship cattle. Personally I believe the training I received in judging and showmanship at agricultural fairs in my community has stood me in good stead, although I have had little connection with agricultural productivity in recent years.

I believe that if the federal government wants to contribute to the future they should not overlook these class B and C fairs. If the minister visits some of them—for example it is not too far from Ottawa to Vankleek Hill or some other areas—he will find that real agricultural fairs are held there. The people who go to them are the real farmers, and they bring with them the cattle on their farms, not showcase cattle. They bring the cattle which are going to make a necessary contribution to their community.

I would ask the minister to look into this question and to tell us whether he is prepared to take an added interest in these class B and class C fairs. I do not object to this contribution of $98,242 being made to the royal agricultural winter fair at Toronto; I think this is an international show and a credit to Canada. It is the ultimate of our agricutural shows. But I think that some contribution will have to be made by the federal government if we are to maintain our small fairs. We all know what is required by way of establishment of permanent quarters for these fairs, but I think that most of the fair boards agree that it is more and more difficult to resist the erosion which is taking place as a result of industrial enterprises wanting to subsidize the operation of the fairs. It will not be long before these fairs are classed as industrial rather than agricultural fairs, which

is something which I do not want to see and which Canadian agriculture cannot afford at the present. Therefore I hope the minister will say that he has considered the matter and is prepared to do something in this field.

Mr. Hays: May I just point out that we are considering supplementary estimates, and during the main estimates we will have quite a bit to say about our exhibition policies.

Item agreed to.

95e—Livestock division—Grants to agricultural organizations as detailed in the estimates, $25,000.

Mr. Bigg: Mr. Chairman, I want to make a brief comment with regard to the contribution to the 4-H clubs, which I think is a very worthy one. In fact, I am surprised at such a small amount, and I presume that this item, like the other estimates, will be thoroughly discussed later. These 4-H clubs play an extremely important part in the encouragement of our young people to enter agriculture, and I hope they will not be lacking funds in this regard.

Item agreed to.

120e—Plant protection division—To extend the purposes of vote 120 of the main estimates for 1963-64 to include compensation for hydrangeas destroyed pursuant to the Destructive Insect and Pest Act, $14,000.

Mr. McCutcheon: Mr. Chairman, I am a little concerned about this item, which includes compensation for hydrangeas which have been destroyed. I am not a horticulturist; my wife does the flower growing at our place, but I am wondering if the minister could explain the item.

Mr. Hays: The problem here is the incidence of nematode, which is a disease which grows on tubers like potatoes and so on. This was being carried. We import a great deal of our hydrangeas from Belgium and such places and those that were coming with dirt were not allowed in because of fear that they might be bringing in nematode and hurting the potato fields of New Brunswick, Prince Edward Island and so on.

Item agreed to.

165e. Agriculture Rehabilitation and Development Act—administration, operation and maintenance, $10,000.

Mr. Peters: Mr. Chairman, quite a number of questions have been asked in this field and I am particularly interested in obtaining from the minister a breakdown of what are the projects he has O.K.'d in the province of Ontario so that I may see what they are and how they fit into the program.

Mr. Hays: This particular amount has to do with travel. I am sure the minister in charge will be very glad to deal with all the expenditures on the main estimates, but this particular amount is for travel alone.

Mr. Peters: What travel and removal expenses are involved? What did these people do?

Mr. Hays: Perhaps I can explain it in this way. In the first instance these ARDA programs are investigated by the federal government and after that has taken place our officials get together with the province and decide on the sharing of the program as between the province and the federal government. As I indicated, since the first of May we have had a great deal of this activity and there was simply not enough money in the original estimates to take care of all the travel involved with regard to all the ARDA projects across Canada.

Mr. Peters: The minister mentioned before that he had eight or ten people in this department. I presume this amount is not just for their travelling expenses. Do we pay the travel expenses of the provincial government officials who are involved in matters concerning ARDA?

Mr. Hays: I would not want to mislead the hon. member. It is my understanding that we only pay the federal expenses but I remember that in May of last year shortly after I became minister we sent people to Newfoundland. We also did a lot of work in British Columbia and Saskatchewan and these men were on the move all the time investigating something like 136 different applications, with the result that we just ran out of money for travelling expenses.

Item agreed to.

171e. Payment of the balance of contributions to Prince Edward Island and Saskatchewan for expenses incurred in respect of crop insurance in the amounts that would otherwise have been paid to those provinces if the agreements entered into by Canada pursuant to the Crop Insurance Act on the 31st day of May, 1962 with Prince Edward Island and on the 1st day of June, 1962 with Saskatchewan had been entered into on the 18th day of July, 1959, $9,342.

[*Translation*]

Mr. Pigeon: Mr. Chairman, I would like to ask the minister if he has communicated with the authorities of the province of Quebec with a view to entering into an agreement, under the Crop Insurance Act, whereby this act would apply in the province of Quebec?

Farmers in general, and more particularly those engaged in the production of special crops, such as the tobacco growers, wish to be protected. I think the Quebec government should definitely take a stand in this regard, especially in order to ensure the protection of farmers engaged in the production of special crops.

Practically every year tobacco growers sustain heavy losses due to draught or hail, especially hail.

Could the minister tell the house whether he has communicated with the Quebec authorities with a view to extending the application of the Crop Insurance Act to Quebec?

[*Text*]

The Deputy Chairman: Shall the item carry?

Some hon. Members: Carried.

Mr. Pigeon: No, Mr. Chairman. I addressed a direct question to the minister and I want an answer.

Mr. Pickersgill: It has nothing to do with this item.

[*Translation*]

Mr. Pigeon: Mr. Chairman, I asked the Minister of Agriculture a specific question and I should like to have an answer.

Mr. Favreau: On a point of order, Mr. Chairman. The item now before us applies only to Saskatchewan and Prince Edward Island—

Mr. Vincent: On the point of order, Mr. Chairman, I would remind the Minister of Justice that crop insurance applies to all Canadian provinces.

[*Text*]

Mr. Pickersgill: Not this vote.

Mr. Vincent: We are discussing crop insurance which may apply to all the provinces of Canada, provided they enter into an agreement with the federal government. We know that at the present time the federal government is in consultation with the province of Quebec with regard to crop insurance, and the hon. member for Joliette-L'Assomption-Montcalm has asked the minister—

The Deputy Chairman: Order. I should advise the hon. member that this particular vote, 171e, applies to Prince Edward Island and Saskatchewan only.

[*Translation*]

Mr. Caouette: If I am not mistaken, Mr. Chairman, we are dealing with an amount of $9,342 that has already been paid to the provinces of Saskatchewan and Prince Edward Island. Then, the other provinces have nothing to do with that item.

Therefore, since the money has already been spent, I cannot see why we should not approve that item in favour of those two provinces and wait until the regular estimates are brought before us to claim the rights of the province of Quebec.

[*Text*]

Item agreed to.

172e. Estimated amount required to recoup the agricultural commodities stabilization account to cover the net operating loss of the agricultural stabilization board, including loss resulting from revaluation of inventory, as at March 31, 1964, $122,235,000.

Mr. Cardiff: This is the largest amount we have come to yet. I wonder whether the minister would mind explaining this item to the committee.

Mr. McIlraith: The item is to provide more accurate information for the House of Commons and it is comprised really of two different amounts, the actual losses on sales of commodities purchased and sold at a lower price, and on the inventory held over, with the valuation taken as of the time the estimates were prepared, which in this case was January 31, 1964. Therefore the item as shown should be an accurate reflection of what the situation was.

Mr. Nowlan: It does not involve a payment of any kind.

Mr. McIlraith: No.

Mr. Thomas: Does this involve the consumer butter subsidy?

Mr. McIlraith: No.

Mr. Martin (Timmins): Mr. Chairman, in view of the fact that this item is such a large amount and in view of the fact that the right hon. Leader of the Opposition pointed out so very well to the house that we should examine these matters carefully, I think we should call it ten o'clock.

Mr. Favreau: Mr. Chairman, may I remind the house, without wanting to press any issue, that we have been dealing with these supplementary estimates for seven days already, and while we are not pressing to increase the number of hours of sitting, I am quite sure that most of us would be pleased to sit one additional hour tonight so that the minister may answer more of the questions of the hon. members.

Mr. Churchill: We are quite prepared to sit an additional hour, but I regret very much that the minister should say that we have taken seven days on these estimates because, as he knows, this is quite incorrect. We had 30 minutes on one day and one hour on another day. Let us not get into that argument. If the minister really wants co-operation, that is not the way to get it. However, we are content to sit for another hour.

Mr. Martin (Timmins): Irrespective of whether it is seven days or whatever it is, it has taken us three days to get down to the consideration of the estimates before the committee. I still say we should call it ten o'clock.

[*Translation*]

Mr. Caouette: Mr. Chairman, if the hon. members of the New Democratic party want to co-operate a little, they should understand that they cannot change anything in the estimates since the money was spent in 1963-64. Most members would very much like to take a few days' rest and I feel that members of the New Democratic party are helping neither the house nor the Canadian people by insisting on our sitting tomorrow, possibly even the day after, and refusing to agree to our sitting an extra hour.

We are in favour of sitting two additional hours, if necessary, to consider the estimates concerning those expenditures which have been made and cannot be altered.

[*Text*]

Mr. Howard: Apropos of what the hon. member for Villeneuve has said, if I may be permitted to comment even though it is ten o'clock, I thought we came here to conduct the business of the country and not to have holidays.

Some hon. Members: Oh, oh.

The Deputy Chairman: Shall I call it ten o'clock?

Some hon. Members: No, take a vote.

The Deputy Chairman: Shall the item carry?

Mr. Howard: Mr. Chairman, it is ten o'clock.

Progress reported.

Resolutions adopted in committee of supply this day reported and concurred in.

Mr. Favreau: Mr. Speaker, may I suggest to the house that unanimous consent be given for this house to commence its sitting tomorrow at ten o'clock and to continue, as was suggested, in order to get on with the business of the country?

Mr. Peters: No, Mr. Speaker.

It being three minutes after ten o'clock the house adjourned, without question put.

[The following items were passed in committee of supply this day]:

DEPARTMENT OF AGRICULTURE

Research branch—

30e. Institutes, stations, farms, laboratories and services—Construction or acquisition of buildings, works, land and equipment, $220,000.

25e. Institutes, stations, farms, laboratories and services—operation and maintenance—To extend the purposes of vote 25 of the main estimates for 1963-64 to include a grant of $3,635 to assist in publishing a scientific treatise, $1.

Administration branch—

1e. Departmental administration—To extend the purposes of vote 1 of the main estimates for 1963-64 to include the gift detailed in these estimates and to provide a further amount of, $60,000.

15e. Economics division—To increase to $85,000 the amount of the contribution to the agricultural economics research council; additional amount required, $62,250.

97e. Livestock division—Special grant to the Canadian plowing council to assist in defraying the costs of the XI world plowing contest, 1963, $5,000.

95e. Livestock division—Grants to agricultural organizations as detailed in the estimates, $25,000.

91e. Livestock division—Special grant to royal agricultural winter fair, Toronto, $98,242.

77e. Contributions to the provinces, in accordance with regulations of the governor in council, of amounts not exceeding two-fifths of the amounts paid by the provinces to owners of animals that have died as a result of rabies since the first day of July, 1960, $7,000.

76e. Health of animals division—Payment of compensation to owners of animals affected with diseases coming under the Animal Contagious Diseases Act, which have died or have been slaughtered in circumstances not covered by the above act and regulations made thereunder, all as detailed in the estimates, $7,946.

Board of grain commissioners—

135e. Inspection and weighing of grain and related services, $40,000.

Production and marketing branch—

120e. Plant protection division—To extend the purposes of vote 120 of the main estimates for 1963-64 to include compensation for hydrangeas destroyed pursuant to the Destructive Insect and Pest Act, $14,000.

Special—

165e. Agricultural Rehabilitation and Development Act—Administration, operation and maintenance, $10,000.

60e. Fruit and vegetable division—Assistance in construction of potato warehouses under terms and conditions approved by the governor in council, $117,000.

50e. Dairy products division—Grants and other assistance in accordance with the Cheese and Cheese Factory Improvement Act, $97,500.

171e. Payment of the balance of contributions to Prince Edward Island and Saskatchewan for expenses incurred in respect of crop insurance in the amounts that would otherwise have been paid to those provinces if the agreements entered into by Canada pursuant to the Crop Insurance Act on the 31st day of May, 1962 with Prince Edward Island and on the 1st day of June, 1962 with Saskatchewan had been entered into on the 18th day of July, 1959, $9,342.

HOUSE OF COMMONS

Wednesday, April 1, 1964

The house met at 2.30 p.m.

PRIVILEGE

MR. KNOWLES—EXTENSION OF SITTING HOURS TO DISCUSS UNEMPLOYMENT INSURANCE FUND

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a question of privilege. I raise this question of privilege at this moment because it will lead to a suggestion which may need to be acted on under motions, which we should reach momentarily.

Yesterday the house learned with, I think, an element of surprise of the precarious state of the unemployment insurance fund. Like other members of the house, we in this party feel that any concern over this matter should be allayed as quickly as possible. We feel arrangements should be made today for dealing with the item in the supplementary estimates which would provide authority for loans to be made to the unemployment insurance fund.

Therefore we of the New Democratic party feel that arrangements should be made for this item to be dealt with, and toward that end we are prepared to suggest, and we do so unanimously, that there be a sitting of the house tonight from eight o'clock to ten o'clock on the understanding that the item respecting the unemployment insurance fund be called not later than eight o'clock this evening.

Hon. Paul Martin (Acting Prime Minister): The hon. gentleman has made a suggestion. I had intended to rise on motions and suggest that since this is the eighth day on which the house has been considering these supplementary estimates—I say this in the spirit of trying to meet the proposal the hon. member makes, because it will be recalled that we dealt with supplementary estimates on the 13th, 16th, 25th, 26th, 30th and 31st of March, and we shall be dealing with them today—it does seem to me the hon. gentleman is right in suggesting that the consensus in this house is that it might be desirable for us to meet tonight. I would suggest that we meet between the hours of seven and eleven o'clock. This would be without any prejudice, of course, to a careful examination of the matters before us.

The suggestion the hon. gentleman has made is one which fits in with my interpretation of what I think is the feeling of the house, having in mind that we have been dealing with these matters this week and that we shall wish to continue this tempo of discussion. I would strongly suggest that the course proposed by the hon. member is one which we might take into account, and I suggest the hours between seven and eleven.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, to begin with I would point out that the hon. gentleman, with that capacity for being non-provocative, misstated the situation with regard to the time taken on these estimates. He mentioned "seven days". In fact the following is the time taken: on Monday the 16th, one hour; Wednesday the 25th, 30 minutes; Thursday the 26th, one hour. I point out that the suggestion that we sat for the number of days to which he referred is entirely baseless.

Mr. Martin (Essex East): Mr. Speaker, may I just say that I agree fully. I was not trying to suggest that the supplementary estimates had been the subject of discussion during the whole of those days. I just mentioned that we had discussed them on those days.

Mr. Ricard: You were trying to suggest that we took the whole day.

Mr. Diefenbaker: Mr. Speaker, I appreciate the high minded reason for the suggestion, but it is none the less completely ill founded. Having said that, we are here for the purpose of doing the business that is required to be done—

Mr. Habel: Then get your members back.

An hon. Member: How about you?

Mr. Diefenbaker: Mr. Speaker, is the hon. gentleman making a contribution from his usual position?

Mr. Starr: Yes, the same position.

Mr. Diefenbaker: I find it very difficult to understand what has happened here. Excepting for the dollar item and the subsequent item we were given no explanation of the situation connected with this particular fund. We used to be told "Oh, if a new government comes in all these difficulties will end; there will be no overdrawing of the unemployment insurance account". I am not going into detail

in that connection, but I have the record here which shows that over and over again, when those who today sit—

Some hon. Members: Order.

Mr. Diefenbaker: Mr. Speaker, they speak of the danger to seals. I warn you over there that you are in difficulty too in this house. These are the trained seals of the government.

An hon. Member: Skin them alive.

Mr. Diefenbaker: I point out, sir, that what has happened results from the action of the government itself. The information I have is that there are some $15 million unappropriated in the 1963-64 funds—

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

Mr. Ricard: Sit down. Don't keep interrupting.

Mr. Knowles: Mr. Speaker—

Mr. Bigg: You made a touching little speech yourself.

Mr. Knowles: Mr. Speaker, I could have debated the merits of this question, but I deliberately refrained from doing that because I made a proposal, under privilege, that arrangements be made for an item to be called at a specific time in order that we could debate that item. I am interested in the right hon. gentleman's remarks, but it seems to me they would be appropriate to the item when we get to it. My suggestion is that we get to the item as quickly as we can.

Hon. Michael Starr (Ontario): Mr. Speaker, I rise on a point of order, the same point of order that has been raised by the hon. member for Winnipeg North Centre. My point of order is that before the members of this house agree to sit any extended hours today surely we are entitled to hear from the government the true story of the fund as it is at the present time. We have not had any statement from the government side as to what arrangements have been made to provide additional funds, and we understand that arrangements have been made. Also, we do not know how long the new arrangements will last, as far as the fund is concerned. I think it is absolutely necessary that we know this.

Mr. Martin (Essex East): Mr. Speaker, may I speak to the point of order. I think there is really no difficulty, procedurally, on this. The hon. member for Winnipeg North Centre made a very sensible suggestion that we should meet this evening—

Mr. Knowles: From eight to ten.

[Mr. Diefenbaker.]

Mr. Martin (Essex East): Yes, from eight to ten; that was a modification of my proposal. The hon. member raised, as a reason for so doing, the desirability of discussing a matter having to do with the unemployment insurance fund.

I think this was a reasonable suggestion, and I am sure the Minister of Labour would be very anxious to co-operate in dealing with that matter. But this is hardly the moment to deal with that question in itself. The only question now before the house is a suggestion as to our procedure for the balance of this day, and the suggestion is that we meet tonight. I have suggested from 7 to 11, but if there is some objection perhaps we can compromise and meet from 7.30 until 10.30. The only question now is for us to have an understanding that we will meet tonight, and I suggest 7.30 until 10.30.

Mr. Knowles: Eight to ten.

Mr. Martin (Essex East): Very well; we will meet from 8 to 10, and at that point seek to deal with the matter before the house.

Mr. Diefenbaker: Mr. Speaker—

Mr. Speaker: If I may interrupt the right hon. gentleman, may I suggest I call the item "Presenting reports by standing and special committees" and then move on to motions; and if the Acting Prime Minister has any suggestion to make in particular with regard to the unemployment insurance fund or to hours of sitting, he can make it at that point. Then the Leader of the Opposition will be well within the rules and have ample opportunity, if that meets with the wishes of the house.

Mr. Diefenbaker: Mr. Speaker, I was well within the rules a moment ago, if I may say so with deference. May I say I like that spirit of co-operation between the hon. member for Winnipeg North Centre and the government; because I was informed this morning that the minister was going to make the suggestion. However, in that fine spirit of co-operation which always prevails between the N.D.P. and the government, it was to be pretended that the suggestion came from the hon. member for Winnipeg North Centre.

Mr. Knowles: That is as false as you usually are.

[*Later:*]

Mr. Speaker: Motions.

Mr. Martin (Essex East): Mr. Speaker, I agree that motions is the proper time to make the suggestion which was made by my hon. friend for Winnipeg North Centre. We have stated our respective positions, and I do

not think there is any need to take up further time of the house. My suggestion is that we sit tonight from 8 until 10, and I hope this will be the consensus of the house. I may assure my right hon. friend that if there is any thought of lack of co-operation in his mind, there is no intention of it. We want to see whether we can agree in this house this afternoon on the procedure and the time we propose to take today on the discussion of the business before us. I have made my suggestion, and I hope it will meet the wishes of my right hon. friend and those who sit behind him.

Mr. Diefenbaker: Mr. Speaker, we have always desired to co-operate—

Some hon. Members: Oh, oh.

Mr. Diefenbaker: The degree of agreement is apparent from that response. I appreciate the approval that statement has received from the government side of the house. However, I would point out this, that the government has not come clean with parliament at all. They brought us back here, although there is no objection to that whatever because the business has to be done. But they concealed the facts regarding the unemployment insurance fund and now find themselves in a difficult position.

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, I rise on a question of privilege. I think it is about time the right hon. gentleman began to observe some of the proprieties of the House of Commons. There was no concealment whatever. On March 6 the supplementary estimates tabled in this house indicated the necessity for replenishing the fund, so there was no concealment whatever.

Mr. Diefenbaker: Everybody realizes there was an indication in the estimates and also in the supplementaries, so why did the government not go ahead instead of allowing the time of the house to be used for other purposes? They thought they could push us into a position where we would not look into this matter carefully. This is what they tried to do. As a matter of fact I am informed that they had available as of last night some $15 million unused, and all that was required was an order in council before the end of the year.

Mr. MacEachen: I rise on a point of order.

Mr. Diefenbaker: Will the hon. gentleman allow me to continue? I have the floor.

Mr. MacEachen: I rise on a point of order. The right hon. gentleman is debating the merits of this particular matter on orders of the day, or on motions. We will have an opportunity of dealing with the merits of this question later when the item is called. In the meantime I would ask the Chair to ask the right hon. gentleman to observe the rules that every hon. member has to observe.

Mr. Diefenbaker: I know the facts hurt the hon. gentleman, and that is why he jumps up on imaginary points of order. The position of the fund is directly attributable to the bumbling administration of this government. I want to make that very clear.

Mr. Martin (Essex East): Mr. Speaker, I am sure the right hon. gentleman feels very keenly about the position he takes on this matter. I am sure, however, he will agree with me that at this particular moment, in this phase of our discussion, it is not in order to discuss a matter of substance. The hon. member for Winnipeg North Centre showed forbearance in that regard. If we were to permit or if Your Honour were to permit a general discussion of this subject, it would mean that all hon. members would have a right at this moment, before the item has been reached, to discuss it.

We will have an opportunity of discussing it. The Minister of Labour will be very anxious to deal with this matter. I am sure the right hon. gentleman will agree that we want to regularize this discussion, and I suggest it is not in order at this time to discuss the merits of the question. We should wait until we reach this item, and we will arrange that that be done today. We will have an opportunity to discuss it, particularly as we may meet tonight between the hours of eight and ten.

Mr. Diefenbaker: I was not speaking on the merits of the proposition, I was speaking about the demerits of the government. I want to make that very clear. They are asking that the house sit extra hours, and to that we have no objection. I am simply pointing out the fact that what has happened is another result of the bumbling attitude of this government and the hiding of the facts by the Minister of Labour.

Mr. Speaker: I do not wish to cut off any hon. member who wishes to make a contribution, but it seems to me fairly clear, if I understand the situation correctly, that the Acting Prime Minister has moved—

Mr. Pickersgill: Suggested.

Mr. Speaker: —suggested that this house do sit from eight o'clock until ten o'clock this evening, and that is the matter under discussion.

Mr. T. C. Douglas (Burnaby-Coquitlam): I take it that this is a motion which the Acting Prime Minister has moved and is therefore debatable.

Mr. Martin (Essex East): I did not move a motion. What I did was simply to indicate that I thought this would be the feeling of the house, but the house is master of its own rules. If this were the consensus, then no formal requirement would be necessary.

Mr. Douglas: In that case it becomes an order of the house, and we would agree to that. I rise simply for the purpose of saying, as my colleague has said, that we are quite willing to meet this evening from eight o'clock to ten o'clock on the understanding that the question of the replenishment of the unemployment insurance fund will be dealt with during that period, or at least will be dealt with during the day and that it be called no later than eight o'clock.

I want to say that in making this suggestion my colleague is certainly not acting on behalf of the government or in collusion with the government.

Some hon. Members: Oh, oh.

Mr. Douglas: Mr. Speaker, we have had this sort of insinuation on two or three occasions from members of the official opposition, and I want to say it is deeply resented. As a matter of fact the records of this session of parliament will show that we have voted against the government much more often than we have voted with them. As a matter of fact we only voted with the government on one amendment, and the official opposition also voted with the government against one of our amendments. We do not take orders either from the government or from the official opposition. We are here to facilitate and expedite the business of the house—

Some hon. Members: Oh, oh.

Mr. Douglas: —and we will take an independent attitude in so doing. We support the suggestion of the Acting Prime Minister—

Mr. Bell: You would not sit at ten o'clock this morning.

Mr. Douglas: —but I want to say to the government that I hope the impasse into which the House of Commons has manoeuvred itself will be a lesson to the government not to bring in supplementary estimates and interim supply almost at the deadline, when parliament either has to rush through them without proper consideration or has to sit beyond the time when we intended to adjourn.

This has become an all too common practice. Supplementary estimates and regular estimates are left until the dying days or hours of the session and then are rushed through without proper consideration. It is true that some time has been spent on the agriculture estimates. I want to remind the government there are a lot of estimates still to be dealt with, and this house need hardly be reminded that these are supplementary estimates, which means that the money has been spent. It is money which was not provided for in the regular estimates, which means that these expenditures were the result of an emergency or represent gross miscalculations by the departments in estimating their monetary needs for the fiscal year.

Members of the house have a right to expect from the government a very clear explanation why these additional sums are needed. They are not small sums. There is some $240 million of expenditures and almost $57 million in loans, investments and advances, a total of almost $300 million. In spite of the hour and the time I do not think we should be asked simply to slide these items through because the government was derelict in not presenting them to the house at an early enough date so they could be given proper examination and consideration.

Therefore, Mr. Speaker, we are quite prepared, subject to the conditions which I have already stated, to sit this evening, but we think the house should take whatever time is necessary to examine these estimates and pass them properly even though we have now gone into what was to have been the Easter recess.

Mr. A. B. Patterson (Fraser Valley): Mr. Speaker, we in this group are quite prepared to co-operate by sitting this evening. We would love to get down to business and deal with the matters at hand. I had to return to the house, and I might say I found that parliament and parliamentary procedure have reached a new low in the thinking of the people across the country because of what has taken place in the last few days. I suggest, Mr. Speaker, that it would be a good thing if we could agree to get ahead with the business and leave all the wrangling for another occasion.

Mr. Raymond Langlois (Megantic): Mr. Speaker, I go along with some of the members on this side of the house in that sometimes we have to put a great deal of water in our wine to digest the food that the government on the other side of the house feeds us. There is one thing I do not quite understand, and that is why this problem could not have been discussed a little earlier in the day, following the usual procedure so that members of all parties could have been made aware of the situation and could have come to a decision on it.

So far as we in this corner of the house are concerned, we are quite willing to sit the extra hours tonight, but we only hope the government does not make a habit of this

night sitting; else we are likely to start sitting on Sunday afternoons. Since the government puts its foot in the noose it can call itself lucky that sometimes the opposition is there to take it out.

I hope this will be the last time we have to sacrifice not only the Easter recess but also Wednesday nights, as this seems to be becoming a habit of the government, seeking 24 hour sittings and getting nowhere with them. We have a lot of estimates to pass and, as the hon. member for Burnaby-Coquitlam pointed out, their presentation has been delayed to the last minute so they can be pushed through in one block and the opposition will have opportunity to say very little on them. I would ask the government to take this under consideration and arrange to have the Easter holiday at the same time as everybody else in the country, and the same applies to Christmas.

Mr. Speaker: Order. By agreement it is ordered that this house do sit from eight to ten o'clock this evening.

Mr. Peters: I hope you will point out, sir, with the caveat the government has given, that the labour estimate will be brought forward at that time if it has not already been called.

Mr. Jorgenson: And, Mr. Speaker, could we have an assurance from the hon. member for Timiskaming (Mr. Peters) and the hon. member for Skeena (Mr. Howard) that they will not block the passage of this?

Mr. Howard: The last thing I have to do is concern myself with asinine questions like that.

[*Later:*]

On the orders of the day:

Mr. Donald MacInnis (Cape Breton South): Mr. Speaker, I have a question for the Minister of Labour. Did the urgency in regard to replenishing the U.I.C. fund arise overnight Monday?

Hon. A. J. MacEachen (Minister of Labour): No, Mr. Speaker. As I have stated already, the government indicated the necessity for this action in the item in the supplementary estimates; that is, that it would be required for the current fiscal year. The forecast of the commission was quite clear.

Mr. MacInnis: A supplementary question, Mr. Speaker. The minister said that the urgency was indicated in the supplementary estimates, which were placed before the house quite some time ago. Nevertheless the urgency of this matter had to be drawn from the Minister of Labour by way of questions on this particular subject yesterday after the matter was brought to his attention.

Some hon. Members: Question.

Mr. Speaker: Order. What is the hon. member's question, please?

Mr. MacInnis: The matter was brought quite clearly to the minister's attention on Monday evening.

Some hon. Members: Order.

Mr. MacInnis: Why, then, was it necessary to draw information from the minister on Tuesday by way of questions?

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

GROS CACOUNA, QUE.—WORK ON SEAPORT

Question No. 143—**Mr. Gendron:**

What progress is being made with respect to the surveys and works undertaken at the seaport at Gros Cacouna?

[*Translation*]

Answer: Preliminary technical work is nearly completed and the department will soon be in a position to prepare plans and specifications.

[*Text*]

C.N.R. EARNINGS AT RADVILLE, SASK.

Question No. 240—**Mr. Watson (Assiniboia):**

What was the total revenue earned by the Canadian National Railway at Radville, Saskatchewan for each of the years 1958, 1959, 1960, 1961, 1962, and 1963?

Mr. Pickersgill: The management of Canadian National Railways advise as follows:

On branch lines, the revenues derived from traffic originating at stations where no agent is located are reported through the first agency station through which the traffic passes. Such is the case at Radville and Avonlea, which are agency stations located on the Weyburn and Avonlea subdivisions respectively. As a result, available earning figures for those two stations include revenues derived from several other stations and are not representative of actual earnings derived from traffic originating at either point. To produce the requested information would involve considerable time and expense. However, when a study is undertaken preparatory to the filing of an application for abandonment of any line, it is necessary to extract actual earnings for each station. In connection with applications filed with the board of transport commissioners for the abandonment of the Weyburn and Avonlea subdivisions, it was necessary to determine the actual earnings of each of the stations on those lines, and the revenues

for the year 1959 at Radville and Avonlea were $115,896 and $119,050 respectively.

C.N.R. EARNINGS AT AVONLEA, SASK.

Question No. 241—**Mr. Watson (Assiniboia):**

What was the total revenue earned by the Canadian National Railways at Avonlea, Saskatchewan for each of the years 1958, 1959, 1960, 1961, 1962, and 1963?

Mr. Pickersgill: See answer to question No. 240.

HOURS OF WORK OF C.N.R. EMPLOYEES

Question No. 281—**Mr. Gauthier:**

1. Are C.N.R. train employees ever compelled to work 16 hours a day and, if so, are overtime benefits paid after eight hours?

2. Do these employees enjoy the holidays recognized by other associations in this country?

3. Are any of the stations on the Chambord-Dolbeau line open when the train comes through on Sunday mornings and, if not, has the company made any inquiry concerning the possible loss of passenger business by the C.N.R. as a result of this lack of service?

[*Translation*]

Answer: The management of Canadian National Railways advise as follows:

1. Running trades employees in road service cannot be completed to work over 12 hours. The men are sole judges of their condition and may advise a dispatcher with at least one-hour notice of their desire to take rest after 12 hours on duty. Their pay is based on mileage or hours, whichever is greater, for any one tour of duty, and any overtime is paid on this basis in accordance with the terms of the wage agreements.

2. Statutory holiday provisions are not contained in the collective agreements for running trades employees in road service on any major railroads on the North American continent. However, statutory holiday conditions for daily-rated yard employees are comparable to those of other industries.

3. Yes.

[*Text*]

QUEENSWAY, OTTAWA—FEDERAL CONTRIBUTION

Question No. 289—**Mr. Smith:**

1. What total financial or equivalent contribution is the government of Canada required to make to the construction of the Queensway in the national capital area?

2. To the 31st of December, 1963, what contribution has been made by the government or any of its agencies?

3. To the 31st of December, 1963, what has been the total amount expended by all governments, federal, provincial and municipal, upon the planning and construction of the Queensway?

4. In what stages is the Queensway being constructed?

5. Of course, what stages have been completed?

6. What is the target date for completion of the other stages?

7. When is it anticipated that the whole project will be completed?

8. Have there been any discussions between the government of Canada or any of its agencies, and the government of Ontario or the corporation of the city of Ottawa for the purpose of endeavouring to expedite the completion of this project?

Mr. Deschatelets: 1. Canada, through the Department of Public Works, contributes to the cost of the Queensway on the basis provided for in trans-Canada highway agreement which is 50 per cent of the equivalent cost of constructing a two lane highway. Canada's contribution, through the Department of Public Works, is presently estimated at $7 million.

Canada's contribution through the national capital commission is the land for the right of way of the Queensway, part of which is a former Canadian National Railway right of way crossing Ottawa from west to east, acquired as a result of a comprehensive railway relocation scheme—no value is placed on this former right of way—together with the additional lands required to widen the former railway right of way to a maximum width of 180 feet. The cost of the land required for the widening is estimated at $5 million. Further, the national capital commission is to landscape the right of way, approaches, exits, ramps and interchanges at an estimated cost of $450,000. The national capital commission will also maintain the landscaping of the right of way at an estimated annual cost of $35,000.

The extent of Canada's total financial contribution will not become definite until the design and construction of all stages has been completed.

2. Department of Public Works, $4,917,943; national capital commission, $4,529,000 for the lands required for the widening of the former right of way, $348,000 for landscaping construction and $4,000 for maintenance of landscaping.

3. Shareable cost as provided for in the trans-Canada highway agreement, $9,835,886; national capital commission, $4,881,000 as shown in 2 above. The federal government has no record of the non-shareable costs incurred by the provincial and municipal governments.

4. Stage I, Rideau river to east city limits; stage II, west city limits to Carling avenue; stage III, Carling avenue—O'Connor street; stage IV, O'Connor street—Rideau river.

5. Stages I and II.

6. Stage III, the section of stage III from Carling avenue to Bronson avenue should be open in May 1964. The section from Bronson avenue to O'Connor street by the fall of 1964.

Stage IV, the section of stage IV from O'Connor street to Metcalfe street will be open in the fall of 1964. On the section from Metcalfe street to the Rideau river, final design to contract stage is not complete and

as the province is the construction agency and completion will involve decisions by all three levels of government participating in the agreements, I am not in a position to state a completion date.

7. Answered by part 6, stage IV.

8. A Queensway committee made up of officials of the province of Ontario, the city of Ottawa, the national capital commission and the Department of Public Works meets monthly to discuss Queensway matters, review proposed planning with the consulting engineers and to expedite the progress of work over the entire project.

C.N.R. RAIL LINES BUILT AND ABANDONED SINCE 1954

Question No. 378—**Mr. Cyr:**

1. How many miles of railroad has Canadian National Railways abandoned since 1954 and, what areas were serviced by those lines?

2. How many miles of railroad have been built by Canadian National Railways since 1954 and what areas are serviced by those new lines?

[*Translation*]

Answer: The management of Canadian National Railways advise as follows:

1. Since 1954 the Board of Transport Commissioners for Canada has authorized the abandonment of 567 miles of line in various areas across the system.

2. A total of about 585 miles of main track and approximately 550 miles of sidings and industrial spurs have been constructed in various areas across the system.

[*Text*]

REPORT ON CRASH OF T.C.A. PLANE

Question No. 439—**Mr. Fisher:**

1. When is a report expected from the investigators of the air crash of the DC-8F at Ste. Therese?

2. Does a transcript exist of the tape made by the tower at Dorval of radio traffic with the aircraft and, if so, what does the transcript say?

3. When did T.C.A. receive notice of the U.S. FAA ruling of 1961 that all U.S. jet aircraft must carry recorders?

4. Was this ruling considered at any time by the board of directors or by the management committee of T.C.A.?

Mr. Pickersgill: 1. It is not possible to estimate with any accuracy when the report of the investigators will be completed. However, it can be stated that the report will not be completed before early summer.

2. A transcript of communication between the aircraft and the air traffic control units at Montreal international airport does exist. The transmissions are all of a routine nature and do not provide any indication that the flight was in difficulty.

3. T.C.A. received original notice in August, 1957 with an amendment in July 1958, stating a requirement for compliance by U.S. air lines in May 1961.

4. T.C.A. management considered this ruling, but due to certain limitations in recording equipment at that time, elected (along with many other world air lines) to defer the project pending development of units of a more advanced type.

T.C.A. has now embarked on a program involving what it considers to be the best and newest recording equipment available.

NEW VOCATIONAL SCHOOL ACCOMMODATION

Question No. 461—**Mr. Starr:**

1. How many new vocational schools or additions have been approved under the amended Technical and Vocational Training Assistance Act from January 1, 1964 to date, and where are they located?

2. How many new technical schools or additions have been approved under the amended Technical and Vocational Training Assistance Act from January 1, 1964 to date, and where are they located?

3. What student capacity has been added in the period January 1, 1964 to date?

4. What is the total cost of these projects?

5. What is the federal government's share of the cost?

Mr. MacEachen: 1. Seven new vocational high schools have been approved under the technical and vocational training assistance agreement since January 1, 1964. They are listed as follows:

Quebec: Donnacona vocational training.

Ontario: Barrie North collegiate; St. Mary's district C.I. (additions and alternations); St. Catherines secondary; Saltfleet, Dewitt road composite (The school is located between Stoney Creek and Winona near Hamilton).

Alberta: Peace River, Peace River high school.

B.C.: Vancouver, Point Grey junior-senior secondary school (additions and alterations).

2. Three new trade schools have been approved during the same period:

N.S.: Amherst, interprovincial trade school for the deaf.

Quebec: Montreal, institute of deaf mutes; la ferme, school of agriculture (Abitibi Co.).

3. The student capacity of the schools approved since January 1, 1964 is 3,921.

4. The total cost of these projects, including buildings and equipment is $10,461,930.

5. The federal contribution approved for the above projects including equipment is $3,092,931 which represents 50 per cent of the cost to be borne by the province for buildings and equipment (excluding academic facilities). The municipal contribution to these projects is estimated at $4,276,070.

The federal contribution to expenditures by the province will be increased by 25 per cent when agreements are completed with the provinces pursuant to Bill C-105 which amended the Technical and Vocational Training Assistance Act to permit a 75 per cent contribution to training facilities to March 31, 1967.

Questions

MILK DISTRIBUTION IN SCHOOLS

Question No. 491—**Mr. Rondeau:**

1. Does the federal government assist any provinces in the distribution of free milk in schools and, if so, in which provinces?

2. What was the per capita figures of milk consumption in each province?

3. How many pounds of surplus butter does the federal government buy annually?

Mr. Hays: 1. No.

2. The per capita figures of milk consumption, in each province, as provided by the dominion bureau of statistics for 1962 is:

	Pints per diem
Prince Edward Island	1.00
Nova Scotia	0.69
New Brunswick	0.72
Quebec	0.82
Ontario	0.82
Manitoba	0.93
Saskatchewan	1.16
Alberta	0.81
British Columbia	0.66
Canada	0.82

3. Purchases and sales of butter during the period May 1 to April 30 for the dairy years indicated have been in

	Purchases	Sales	Difference
1958-59	72,966,653 lbs.	45,072,155 lbs.	27,894,498 lbs.
1959-60	74,570,888 lbs.	56,679,316 lbs.	17,891,572 lbs.
1960-61	76,015,753 lbs.	41,916,652 lbs.	34,104,101 lbs.
1961-62	101,320,765 lbs.	37,108,772 lbs.	64,211,983 lbs.
1962-63	81,695,766 lbs.	58,645,607 lbs.	23,050,069 lbs.
1963-64	*71,688,031 lbs.	*74,766,833 lbs.	**3,078,802 lbs.

*Estimated and includes fire loss of 3,750,000 lbs.

**Sales are estimated to exceed purchases.

WHARF CONSTRUCTION, STORMONT, N.S.

Question No. 493—**Mr. Coates:**

Is a wharf to be constructed at Stormont, Guysborough county, Nova Scotia and, if so, when will tenders be called?

Mr. Deschatelets: The department is presently investigating the provision of deep water wharf facilities in the Stormont area of country harbour. Surveys will be undertaken this spring to determine costs. When this information is available the department will decide if the construction of a wharf is justified.

WHARF TENDER, TOBERMORY, ONT.

Question No. 498—**Mr. Loney:**

1. Has the lowest tender quotation of $2,291.30 by Percy Speers, Wiarton, Ontario (slip, ferry wharf, Tobermory, Bruce county Ontario), received final approval and, if so, at what date will construction of this project commence?

2. If final approval has not been given, what are the reasons for not accepting the lowest tender?

Mr. Deschatelets: 1. Yes. Construction is expected to commence the middle of April 1964.

2. Not applicable.

EXPENDITURES IN CANADA BY U.S. GOVERNMENT AGENCIES

Question No. 506—**Mr. Orlikow:**

1. How much money was spent in Canada in each of the past three years by the United States government through its department of health, education and welfare and agencies like the national institute of health in research in the natural and biological sciences?

2. Has the government any information as to plans by these American agencies to reduce these grants in the coming year?

Miss LaMarsh: 1 and 2. This information is not available.

SUGAR—STEPS TO REDUCE PRICE

Question No. 507—**Mr. Peters:**

To control and reduce the consumer price of sugar will the federal government consider (a) the establishment of an agency to acquire domestic sugar surplus from commonwealth countries on long term contracts (b) consider the establishment of a provincial-federal distribution agency to provide stable sugar prices to consumers (c) increase the subsidy to Canadian sugar beet producers?

Answer: For reasons which were indicated to the house on February 19, after there had been discussions with commonwealth and other producers the government concluded that it would not be in the interests of the Canadian consumer to enter into long term contract arrangements for supplies of sugar at that time. Since that time world sugar prices have been falling with an attendant decline in the price for refined sugar in Canada and the futures market forecasts still lower prices as the year progresses.

(a) The discussions with commonwealth producers did not disclose any surplus of sugar available to be acquired on long term contracts at advantageous prices.

(b) Stability of sugar prices in Canada is dependant upon stability of prices in the

world market from which the bulk of Canadian supplies are drawn.

(c) The level of support under the agricultural stabilization board is being considered at present and an announcement will be made in due course.

CONTROL OF BULK CEMENT TRANSPORTATION

Question No. 511—**Mr. Peters:**

Is it the intention of the government to prosecute the cement companies for the establishment of a monopolistic control over the transportation of bulk cement by selected carriers?

Mr. Favreau: No decision regarding prosecution or other criminal proceedings in respect of alleged contraventions of the substantive provisions of the Combines Investigation Act is made unless and until a report is received from the restrictive trade practices commission or evidence is referred to the attorney general of Canada by the director of investigation and research. No report regarding the industry concerned has been received, nor has evidence been referred to the attorney general by the director.

PROSECUTION OF SUGAR REFINERIES

Question No. 512—**Mr. Peters:**

Is it the intention of the government at this session of parliament to prosecute the sugar refineries who have manipulated the consumer price of sugar to the detriment of the general public?

Mr. Favreau: No decision regarding prosecution or other criminal proceedings in respect of alleged contraventions of the substantive provisions of the Combines Investigation Act is made unless and until a report is received from the restrictive trade practices commission or evidence is referred to the attorney general of Canada by the director of investigation and research. No report regarding the industry concerned has been received since the report of the commission concerning the sugar industry in eastern Canada dated February 3, 1960, as a result of which prosecution proceedings have already been taken, nor has evidence been referred to the attorney general by the director.

DESIGNATED AREAS, SASKATCHEWAN

Question No. 516—**Mr. Mather:**

How many designated areas are there in the province of Saskatchewan?

Mr. MacEachen: None.

LAKE ONTARIO WATER LEVELS

Question No. 518—**Mr. Matheson:**

1. What has been the average level of lake Ontario each year commencing 1938?
2. What has been the discharge or outflow from lake Ontario each year commencing 1938?
3. What has been the average level at Ogdensburg each year commencing 1938?

Mr. Laing: 1, 2 and 3. The following table gives the mean annual water levels and flows for the period 1938 to 1963 inclusive at the points indicated. Annual mean levels of the St. Lawrence river at Prescott, Ontario have been substituted for those at Ogdensburg, New York, but as these points are on opposite sides of the river the water levels at one are reflected at the other. Water levels are expressed in feet above mean sea level referred to the international great lakes datum (1955) and flows, in cubic feet per second.

Year	Lake Ontario at Kingston, Ont.	Average outflow from lake Ontario cfs.	St. Lawrence river at Prescott, Ontario
1938	244.06	218,000	243.57
1939	243.93	215,000	243.48
1940	243.72	212,000	243.25
1941	243.68	210,000	243.24
1942	244.05	220,000	243.55
1943	246.07	257,000	245.39
1944	245.08	240,000	244.47
1945	245.80	252,000	245.16
1946	245.61	249,000	244.97
1947	246.18	262,000	245.44
1948	245.88	254,000	245.20
1949	244.76	233,000	244.21
1950	245.22	243,000	244.62
1951	246.40	267,000	245.73
1952	246.79	277,000	246.09
1953	245.64	260,000	244.98
1954	245.51	258,000	244.85
1955	246.02	267,000	245.33

Questions

Year	Lake Ontario at Kingston, Ont.	Average outflow from lake Ontario cfs.	St. Lawrence river at Prescott, Ontario
1956	245.29	254,000	244.62
1957	244.38	234,000	243.81
1958	243.70	220,000	243.22
1959	243.84	223,000	243.36
1960	244.60	238,000	244.00
1961	244.27	234,000	243.66
1962	244.36	209,000	243.86
1963	244.42	206,000	243.93

HYDROGRAPHIC SURVEY, BRAS D'OR LAKES

Question No. 520—**Mr. Muir (Cape Breton North and Victoria):**

1. Has a hydrographic survey been carried out recently in the Bras d'Or lakes and has such a survey been completed?
2. When was the last survey carried out?
3. When was the first survey of the Bras d'Or lakes carried out?

Mr. Benidickson: 1. A hydrographic survey was made in August 1963 from McKinnons point to North basin and of the channel through the swing bridge at Grand narrows in Bras d'Or lake. This was only a reconnaissance survey and obtained the information required at that time.

In June 1963 a hydrographic survey was carried out of the northern entrance to Great Bras d'Or. This survey is completed.

2. A survey of the Bras d'Or lakes, north of Grand narrows, was carried out by the Canadian hydrographic service—1941-1947. The northern entrance to Great Bras d'Or has been resurveyed periodically since.

3. The first survey of the Bras d'Or lakes was carried out in 1852-1857. This is the only complete survey made of Bras d'Or lake, south of Grand narrows.

BREAKWATER EXTENSION, INDIAN BEACH, N.S.

Question No. 521—**Mr. Muir (Cape Breton North and Victoria):**

1. Is consideration being given to the construction of an extension to the breakwater at Indian Beach, North Sydney, Nova Scotia?
2. What is the estimated cost of such an extension and how soon will tenders be called for this project?

Mr. Deschatelets: 1. No.

2. Not applicable.

BRIDGES OVER TRENT CANAL

Question No. 530—**Mr. Stenson:**

1. Has the Department of Transport had any negotiations with the Ontario department of highways regarding bridges to be built over the Trent canal system of Lakefield, Buckhorn, or Burleigh Falls and, if so, on what date will construction of the bridges commence?

[Mr. Laing.]

2. Is the Department of Transport considering building new workshops at the depot in Peterborough?

Mr. Pickersgill: 1. The department has had negotiations with the Ontario department of highways regarding the construction of bridges at Buckhorn and Burleigh Falls but not at Lakefield. Dates for the start of construction of the former bridges have not been set.

2. Yes, in due course but not immediately.

MOTIONS FOR PAPERS

UNEMPLOYMENT INSURANCE BENEFITS FOR RETURNING LOGGERS

Motion No. 9—**Mr. Latulippe:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house copies of all letters, telegrams and other documents exchanged between the Minister of Labour or officers of his department and officials of the national employment office, unemployment insurance commission, the competent authorities in Maine and Vermont, officials of the United States department of the interior and labor secretariat, and between the unions and the Canadian and American companies concerned with the problem of Canadian loggers permanently or seasonally employed in the United States forest industry who cannot obtain unemployment insurance benefits on their return to Canada.

Mr. Speaker: I understand that this motion is to be withdrawn.

Order discharged and motion withdrawn.

CORRESPONDENCE WITH LUMBER ASSOCIATION ON SALES TAX

Motion No. 10—**Mr. Latulippe:**

That an order of the house do issue for a copy of all correspondence, letters, telegrams or other documents exchanged between the Minister of Finance or any other officer of his department and the Canadian association of the lumber industry or one of their representatives or members, in connection with the 11 per cent tax on building materials.

Mr. Benson: Mr. Speaker, in connection with this motion I should point out to the hon. member that there is no such correspondence, but the government is prepared to accept the motion.

Motion agreed to.

LOANS TO STUDENTS

Motion No. 29—**Mr. Langlois:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house a copy of all correspondence, letters, telegrams or other documents exchanged between the Prime Minister or any minister of the cabinet and Mr. Jean Lesage, premier of the province of Quebec or Mr. Gerin-Lajoie, minister of youth, concerning interest free loans to university students, as mentioned in the speech from the throne.

He said: Mr. Speaker, I would like to have motion No. 29 passed today if possible. I have contacted some of the ministers with respect to motions No. 30 to 52 inclusive, and I would like to have these stand seeing that quite a few of the ministers are absent from the house today.

Mr. Martin (Essex East): Regarding motion No. 29, this is agreeable, subject to the usual reservation.

Mr. Speaker: Is it the pleasure of the house to adopt the said motion subject to the reservation expressed by the Secretary of State for External Affairs?

Some hon. Members: Agreed.

Motion agreed to.

ANNUAL LEAVE, PUBLIC SERVICE EMPLOYEES, TERRACE, B.C.

Motion No. 57—**Mr. Howard:**

That an order of the house do issue for a copy of all regulations, or letters or communications relating to, or directed to, employees in the public service of Canada who are employed at Terrace, B.C. and relating to the question of seniority being or no longer being the determining factor in the scheduling of annual leave.

Mr. Pickersgill: Mr. Speaker, I understand the hon. gentleman would be willing to have this motion stand today.

Mr. Howard: I would be glad to co-operate in any way with the Minister of Transport on this matter.

Motion stands.

REPRESENTATIONS RESPECTING BILL ON INDIAN CLAIMS

Motion No. 59—**Mr. Howard:**

That an order of the house do issue for a copy of all correspondence, telegrams and other documents exchanged between the government and any agency or branch thereof and any other person, group or organization since December 20, 1963 relating to Bill No. C-130 of the first session of the twenty sixth parliament entitled an act to provide for disposition of Indian claims.

Mr. Favreau: Mr. Speaker, we would have no objection to accepting this motion on condition that the word "and" at the end of the second line be replaced by the word "or", which I think the hon. gentleman means. Otherwise there would be a demand for the filing of confidential information.

Mr. Howard: Yes, that could be "or" or a comma, either one.

Mr. Speaker: Subject to the reservation expressed by the minister is it the pleasure of the house to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

INDIAN RESERVE LANDS, BURNS LAKE, B.C.

Motion No. 63—**Mr. Howard:**

That an order of the house do issue for a copy of all correspondence, telegrams and other documents exchanged between the government or any agency or branch thereof and any other person, group or organization relating to Indian reserve lands which are now situated in the Burns Lake Indian agency between the period of January 1, 1954 and December 31, 1962.

He said: Mr. Speaker, I would like to ask permission to withdraw this motion.

Mr. Speaker: Withdrawn.

Order discharged and motion withdrawn.

N.H.A. LOANS, KITIMAT, B.C.

Motion No. 66—**Mr. Howard:**

That an order of the house do issue for a copy of all correspondence, telegrams and other documents exchanged between Central Mortgage and Housing Corporation or any branch office thereof and the Aluminum Company of Canada, or any other person since January 1, 1958 relating to the question of loans under the National Housing Act in the community of Kitimat, B.C.

Mr. Favreau: Could we stand this motion in the absence of the minister?

Mr. Howard: Yes.

Motion stands.

QUEBEC—CORRESPONDENCE RESPECTING UNIVERSITY GRANTS

Motion No. 69—**Mr. Langlois:**

That an order of the house do issue for a copy of all correspondence, letters, telegrams or documents exchanged between the Prime Minister or any minister of the government and any universities of the province of Quebec, regarding grants between December 1962 and March 1, 1964.

Mr. Stewart: Mr. Speaker, I request that this motion stand.

Mr. Speaker: The motion which was just read, No. 69?

Mr. Stewart: Yes, Mr. Speaker, No. 69 is to stand.

Mr. Langlois: I agree to have it stand until I meet the minister.

Motion stands.

Inquiries of the Ministry

DIRECTIVES FROM MINISTER OF FORESTRY

Motion No. 75—**Mr. Jorgenson:**

That an order of the house do issue for a copy of all directives, changes in regulations and authorization for expenditures from the Minister of Forestry from the period February 3, 1964 to March 13, 1964.

He said: Mr. Speaker, I have agreed to withdraw motions Nos. 75 and 76 pending the investigation in accordance with the promise made to the house by the Minister of Transport.

Mr. Speaker: Then motions Nos. 75 and 76 are withdrawn.

Orders discharged and motions withdrawn.

R.C.M.P. SPACE IN MUNICIPAL BUILDING, TERRACE, B.C.

Motion No. 86—**Mr. Howard:**

That an order of the house do issue for a copy of all observations and reports concerning space or the location thereof for the R.C.M. Police as referred to in the answer given to question No. 300 of the present session of parliament.

Mr. Favreau: May I ask that this motion stand so that I can look into the matter further?

Motion stands.

PRIVILEGE

MR. PIGEON—REPLY BY JUSTICE MINISTER TO ORAL QUESTION

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I rise on a question of privilege, following a question I put yesterday to the Minister of Justice. In this respect I refer to page 1600 of *Hansard,* and I quote:

Mr. Speaker, I should like to direct a question to the Minister of Justice. Is the selection of lawyers acting for certain crown corporations based on political considerations?

And the minister's answer was:

The answer is no, Mr. Speaker.

The minister deceived the house and considered members as April's fools, since he makes a selection as regards lawyers and notaries acting for the government.

It seems to me that he favours only those who are recommended by Liberal members and defeated Liberal candidates.

The minister has what I call a patronage list.

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, I am of the opinion that the question of privilege of the hon. member

[Mr. Langlois.]

was out of order, since in view of its purpose it should have been raised this morning rather than yesterday.

Mr. Pigeon: Mr. Speaker, this morning we did not sit.

An hon. Member: April's fool.

[*Text*]

LABOUR RELATIONS

GREAT LAKES—POSTPONEMENT OF SAILING OF SHIP "JOHN ERICSSON"

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): I would ask the Minister of Labour whether he is in a position to explain the postponement of the sailing of the Upper Lakes vessel *John Ericsson,* which I understand is one of the ships boycotted by the longshoremen in Chicago last year. Does this action indicate that the difficulties of last year on the great lakes are approaching settlement?

Hon. A. J. MacEachen (Minister of Labour): I would hope that the thought expressed in the right hon. gentleman's final sentence is correct. The decision on the part of the Upper Lakes Shipping Company not to send the *Ericsson* into Chicago at this time is a decision made by the company, likely in the interests of creating a favourable atmosphere at the present time.

Mr. Diefenbaker: I take it from the minister's answer that this was not a decision which was determined by the direction or suggestion of the trustees?

Mr. MacEachen: I can tell the right hon. gentleman that the trustees have been anxious to work out a solution to the harassment on the great lakes in parts of the United States, and I think it would be correct to say that they may have expressed their concern to the president of Upper Lakes Shipping on this particular point.

EARTHQUAKE DAMAGE

INQUIRIES AS TO ASSISTANCE TO BRITISH COLUMBIA

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): I know that any decision by the federal government to give aid toward rehabilitating the people in the Alberni valley depends on an application being received from the government of British Columbia. However, in view of the fact that the people in that area and a committee headed by two mayors, of which the honorary president is the lieutenant

governor of the province, are making a nation-wide appeal for funds to help those who are destitute and homeless, I wonder whether the federal government has made any decision with reference to the suggestion I put to them yesterday, that a substantial financial contribution be made to the Alberni valley disaster fund.

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): If I may say so, I think the sequence of events now is such that we would have to await a decision or advice from the provincial government; because I have now had a wire from Hon. Wesley D. Black telling us that we will be advised of the extent of the damage after a provincial cabinet meeting to be held on Thursday. So I think any participation by the federal government should now await a request from the provincial government.

Mr. Douglas: I recognize that this would be true with respect to a general rehabilitation program. What I am asking is this. Would the government be prepared to consider making an immediate contribution to the fund designed to help those who are homeless at the moment?

Mr. Laing: I am certain that the remarks of the hon. member will be noted by the cabinet; but again, if we are to participate in the work of rehabilitation in that area which addresses itself principally to those who suffer as a result of the complete destruction of 45 homes, we should probably await a report from the provincial government because we have been dealing with them.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): In connection with the matter raised by the hon. member for Burnaby-Coquitlam, may I say that a telephone call reached my office a few moments before the sitting opened to the effect that the damage runs into tens of millions of dollars and that some indication on the part of the federal government—with full respect, of course, to the constitutional proprieties to which the minister has made reference—would raise the hopes of those people and give them determination. I do not think the minister would be interfering with the constitutional division of power and the need for a direct request for assistance from the province of British Columbia if he could indicate—and I know he would receive support from all parts of the house in doing so—that a substantial contribution would be made to the disaster fund.

Mr. Laing: I sincerely hope that the estimate of the damage given to the house by the right hon. gentleman is inaccurate. I have from Mr. Black this morning a statement that the preliminary estimate made by the civic authorities is a total of $5 million, including the industries concerned in that area. I think in the light of these statements which have been made we should still await a report from the province, but I am certain that the remarks made by the Leader of the Opposition and the hon. member for Burnaby-Coquitlam will be duly noted by members of the government.

INDUSTRY

PETERBOROUGH, ONT.—REPORTED INSTALLATION OF PRODUCTION EQUIPMENT

On the orders of the day:

Mr. M. J. Moreau (York-Scarborough): I have a question for the Minister of Industry. In view of the implication left yesterday by the hon. member for Hastings-Frontenac, is the minister aware of press reports in the *Globe and Mail* indicating that Outboard Marine Corporation will instal $100,000 worth of production equipment in Peterborough this year in order to manufacture snowmobiles, mainly for export to the United States?

Hon. C. M. Drury (Minister of Industry): I thank my hon. friend very much for this information, which I am sure is most welcome.

LABOUR CONDITIONS

THETFORD MINES, QUE.—REQUEST FOR EXTENSION OF WINTER WORKS PROGRAM

On the orders of the day:

Mr. Raymond Langlois (Megantic): I have a question for the Minister of Labour. Would the hon. gentleman consider extending the winter works program to the end of May in the Thetford Mines district to relieve the situation which has arisen following the lay-off of 600 men due to the closing of two asbestos mines?

Mr. Speaker: I think this is an appropriate time to suggest that that is the type of question which should be placed on the order paper.

[*Later:*]

Mr. Langlois: Mr. Speaker, I rise on a point of order. I do not think my last question was one that should be put on the order paper. I asked the Minister of Labour whether he would consider extending the winter works program. Would the minister consider that solution, in order to help these 600 men who are out of work at the moment, plus the others who were out of work before that?

Inquiries of the Ministry

INQUIRY AS TO STEPS TO DEAL WITH UNEMPLOYMENT

On the orders of the day:

Mr. Eric A. Winkler (Grey-Bruce): Mr. Speaker, I have a question for the Acting Prime Minister just in the event that I do not have the privilege of the floor between eight and ten tonight. I am wondering whether the Acting Prime Minister would care to make any comment on the serious situation which exists in Canada with regard to unemployment. I do not mean with regard to the fund but with regard to the people unemployed.

Mr. Speaker: It seems to me that I ruled on this question last week.

FINANCE

REPORTED INCREASE IN NUMBER OF BANKRUPTCIES

On the orders of the day:

Mr. R. A. Webb (Hastings-Frontenac): My question is one for the Minister of Finance but in his unavoidable absence may I address it to the acting minister. Inasmuch as there has been an increase of 15.3 per cent in the number of bankruptcies in the year 1963 as compared with 1962, could the hon. gentleman tell us what action the government is contemplating to assist small businesses in Canada?

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

POST OFFICE DEPARTMENT

MONTREAL—REQUEST FOR REPORT ON MAIL TRUCK ROBBERIES

On the orders of the day:

Mr. J. A. McBain (Elgin): Mr. Speaker, in the absence of the Postmaster General I should like to direct my question to the Acting Postmaster General and ask whether he can give a report to the house on the robbery that occurred last evening in mid-town Montreal, in which it is reported that $400,000 was stolen. Also, can he say if it is the policy of the department to leave mail trucks carrying as much as $42 million unprotected by armed guards?

Hon. J. P. Deschatelets (Acting Postmaster General): Mr. Speaker, in the absence of the Postmaster General I might read a statement which covers this matter.

At 7.30 last evening the mail truck for the service between the Montreal post office and the C.N.R. station was held up at the corner of Lagauchetiere and University streets in Montreal. Two trucks and six armed, masked men took part in the hold-up.

The post office vehicle was boxed in at the traffic light and the railway mail clerk, who was accompanying the mail, and the truck driver were taken from the post office truck, handcuffed together, placed in one of the other trucks and pillow cases pulled over their heads.

The post office truck and the mail have not yet been located. The information indicates that there were 31 money packets on board the missing mail truck and some of them are believed to have contained payrolls. The matter is being investigated by senior officials of the Montreal city police and post office investigators.

This morning's press and radio indicate the amount of the loot as $400,000, and have also indicated that mail trucks have carried as high as $42 million on a trip. It is not known where the press and radio obtained this information, as an accurate amount of the loss will not be ascertained until the respective banks have been contacted, and I have no knowledge of any mail truck carrying $42 million.

Moreover, Mr. Speaker, last night at 8.20 p.m. the highway motor vehicle service between Valleyfield and Montreal was held up at Caughnawaga. Two motor vehicles were involved in the hold-up and at least two armed men took part. The truck and mail have been recovered in this case but the locked bags have all been ripped open. Investigators are checking to ascertain the loss in this particular case, but it is not believed that any money packets were carried. The matter is being investigated by the Quebec provincial police.

[*Translation*]

Mr. Pigeon: Mr. Speaker, may I direct a supplementary question to the Minister of Public Works who answers in the house for the Postmaster General in his absence?

Does the Post Office Department intend to ask Senator Azellus Denis to make an inquiry into those robberies?

[*Text*]

HEALTH AND WELFARE

EXTENSION OF HOSPITAL INSURANCE INTO COMPREHENSIVE HEALTH INSURANCE PLAN

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I direct a question to the Acting Prime Minister. Yesterday the Prime Minister, in addressing the federal-provincial conference, suggested that the government of Canada was prepared to withdraw from the hospital insurance field in return for giving to the provinces a certain abatement in personal income tax. I want to ask the Acting

Prime Minister whether this means that the government has now forsaken any idea of extending the hospital insurance plan into a federal-provincial, comprehensive health insurance plan that will cover all health services.

Hon. Paul Martin (Acting Prime Minister): Mr. Speaker, I am sure my hon. friend would agree that as the conference is now dealing with matters having to do with health and welfare, it would be desirable to await the return of the Prime Minister, which I anticipate will be some time tomorrow afternoon.

BUSINESS OF THE HOUSE

INQUIRY AS TO APPOINTMENT OF STANDING COMMITTEES

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, inasmuch as this is the 32nd day of this session I wonder whether I could ask the Minister of Justice, in his capacity as house leader and chairman of the striking committee for the standing committees of the house, when he might be in a position to announce the membership of those standing committees.

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, we will convene the committee at the first opportune moment and appoint the committee membership.

REQUEST FOR ANSWER TO QUESTION ON ORDER PAPER

On the orders of the day:

Mr. A. C. Cadieu (Meadow Lake): Mr. Speaker, I have a question for the Associate Minister of National Defence. Your Honour requested me to put an urgent question on the order paper, which I did on February 27, and I have not as yet received a reply.

Hon. Lucien Cardin (Associate Minister of National Defence): I will look into the matter, Mr. Speaker.

HOUSE OF COMMONS

SUGGESTED "HANSARD" CORRECTION BY MEMBER FOR WINNIPEG NORTH CENTRE

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I make two short corrections in *Hansard*? I do so only because confusion might be created. In *Hansard* of Monday, March 30, on page 1574, column 1, in line 4 of the middle paragraph, "we" should be "he".

Then on page 1576, the same date, column 2, the middle of the column, the phrase "One man against the truth" should be "Just standing for the truth".

[*Later:*]

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I rise on a point of order in connection with the correction to *Hansard* offered by the hon. member for Winnipeg North Centre, which he did with rapid-fire speed, perhaps in the hope that nobody would notice it. But I turned up the the page, and as reported in the second column of page 1576 the hon. member for Winnipeg North Centre said:

One man against the truth.

I saw that remark in the blue sheets which were handed to me along with material of my own which I had to read. Now the hon. member is attempting to correct this for some reason known only to himself. I heard the statement as *Hansard* recorded it, and as I heard it, it was directed against me. But in *Hansard* it reads as though directed against the hon. member himself. Now he wants to change it. I suggest that *Hansard* stands as it is now, "One man against the truth", and with the name of the hon. member for Winnipeg North Centre in front of it.

Mr. Knowles: Mr. Speaker, I rise on a point of privilege. The hon. member for Winnipeg South Centre, in opening his remarks just now, accused me of making this correction in a rapid-fire manner so that no one would notice it. If I wished to make a correction without anybody noticing it all I would need do is to go to the *Hansard* office or to send back my proof sheets so corrected. It was precisely because I realized that this was a correction to which the hon. member for Winnipeg South Centre might take objection that I made the correction publicly in this house. It is my recollection that what I now say I said is what I did say the other night; but if the hon. member for Winnipeg South Centre wants to make an issue out of it and wants to have a vote of the house on it, I do not mind. Perhaps the best thing to do is to let the whole exchange between us appear in *Hansard* as a question of privilege and let the readers sort it out for themselves.

Mr. Speaker: I think the exchange speaks for itself.

NATIONAL DEFENCE

METHOD OF PAYMENT OF TROOPS IN CYPRUS

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, may I direct a question to the Associate Minister of National Defence?

Inquiries of the Ministry

Could the minister assure the house that Canadian soldiers stationed in Cyprus will be paid in Canadian money and not in U.S. money?

Hon. Lucien Cardin (Associate Minister of National Defence): According to the department's policy, our forces are paid in the currency mostly used in the country where they are serving.

Mr. Pigeon: In what currency will the Canadian forces be paid?

Mr. Dupuis: In Diefendollars.

Mr. Pigeon: The dollar devaluation was an excellent thing for the Canadian economy.

In what currency are they being paid?

[*Text*]

Mr. Speaker: Is the minister going to reply, or is he taking the question as notice?

[*Translation*]

Mr. Cardin: Up to now, Canadian troops have been paid in United States currency, but they will draw their pay in Cyprus' currency as soon as possible.

[*Text*]

ARMOURY GUARDS—REQUEST FOR VETERANS PREFERENCE IN APPOINTMENT

On the orders of the day:

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I asked the Minister of National Defence the other day whether he would give the house information on the status of the guards who had been hired in the armouries. I wonder whether he has the information now.

Hon. Lucien Cardin (Associate Minister of National Defence): No, Mr. Speaker, I have not received it as yet.

TRANSPORT

HEARING ON ABANDONMENT OF CANADA SOUTHERN LINE

On the orders of the day:

Mr. H. W. Danforth (Kent, Ont.): Mr. Speaker, I would like to direct a question to the Minister of Transport. Can the minister indicate whether today a time and place has been named for the hearing by the board of transport commissioners in regard to the contemplated abandonment of the Canadian division of the New York Central Railway known as the Canada Southern Railway Company?

Hon. J. W. Pickersgill (Minister of Transport): No, sir.

[Mr. Pigeon.]

SUPPLY

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

The Deputy Chairman: Order. House again in committee of supply, estimates of the Department of External Affairs, vote No. 1e.

Mr. Churchill: No, we are still on agriculture, the big item.

Mr. Jorgenson: Mr. Chairman, when the house adjourned last night I believe we were on the estimates of the Department of Agriculture, vote 172e. Since there are only four items left I wonder whether we can complete them before we go on to the other departments.

Mr. Favreau: If I failed to tell any of the hon. gentlemen opposite that the government intended to proceed with the estimates of the Department of External Affairs first, then that is my error and I beg to be excused therefor. But if we cannot proceed with them today we will have to proceed with them tomorrow, because I understand the minister may not be available tonight.

Mr. Peters: Mr. Chairman, I think most of us were of the opinion that we were going to continue with agriculture. Personally I have no objection; it was just the way in which the Chair was calling the items.

Mr. Martin (Essex East): Mr. Chairman, may I just explain so the committee will not be under the impression that the leader of the house is not taking hon. members into his confidence. I had asked, because I cannot be here tonight and perhaps for part of this afternoon too, that we might take my supplementary estimates first. My request was based on the possibility that we might not be here tomorrow, but as that is apparently not the situation, we can proceed with them later. But I did want to explain so that the committee would not think the house leader was not acting in the best of good faith.

The Deputy Chairman: Shall vote 1e carry?

Mr. Churchill: No, Mr. Chairman. This is not my understanding at all, unless I am completely—

Mr. Martin (Essex East): That is quite right. I had just explained, Mr. Chairman, that as there is some disposition not to go ahead with external affairs today—although I had hoped we could—in view of the timetable I think we ought to proceed from where we finished last night.

DEPARTMENT OF AGRICULTURE

172e. Special—Estimated amount required to recoup the agricultural commodities stabilization

account to cover the net operating loss of the agricultural stabilization board, including loss resulting from revaluation of inventory, as at March 31, 1964, $122,235,000.

Mr. Jorgenson: Mr. Chairman, I wonder whether the minister would care to give the committee a breakdown of the amounts included under this item, which represents the bulk of the supplementary estimates of his department. I think the committee is entitled to an explanation of it.

Mr. Hays: Mr. Chairman, the hon. member for Burnaby-Coquitlam mentioned that possibly there might be some reason why the supplementary estimates were so large in some departments. I recognize the fact that the agriculture estimates represent over half of the total supplementary estimates, and this is due to the way in which the stabilization payments are handled.

There is a "guesstimate" in the main estimates as to how much will be required by the Department of Agriculture under the stabilization act. Since the commencement of this act the amount required by the stabilization board was always included in the supplementary estimates.

The amount of $73 million in vote 172e represents the total sum required under three different programs, and the difference of $48 million is due to a suggestion by treasury board that the payments be handled in a different way. They suggested that the amount of butter, butter solids, butter oil, and that type of thing, carried in the inventory should be shown at their market value. Therefore this is shown as a loss in the inventory and is a much truer picture than used to be the case when the cost price was included in the estimates. Therefore the difference between the $122 million and $73 million, approximately $48 million, which is required under the act is a revaluation of the inventory plus storage costs.

The hon. member is asking what this covered. There are three different ways in which the stabilization board operates. The first is the purchase of agricultural commodities at prescribed prices. This method is commonly known as the offer to purchase. The products we handle by the offer to purchase method are creamery butter, cheddar cheese, cattle, oats not under the Canadian wheat board and barley not under the Canadian wheat board.

The second method of support is the deficiency payment method. Products supported by deficiency payments are eggs, hogs, sheep, lamb, sheep wool, honey, soybeans, sunflower seeds, sugar beets and wheat not under the Canadian wheat board. This would be wheat grown other than in the prairie provinces.

Then the third method by which the stabilization board handles some products is by the payment of subsidies. The subsidy payment program covers milk for cheese, milk for butter, butterfat content of cream, dried casein and caseinates and tobacco. The total amount being appropriated is $122,235,000. I would be glad to give a picture of the inventories if this is what the hon. member wishes.

Mr. Jorgenson: This is what I asked.

Mr. Hays: In so far as butter oil is concerned, that is butter that was converted into butter oil in 1958, we had an estimated 2,124,468 pounds still in storage throughout the year. We sold 1,562,478 pounds and the loss amounted to $1,042,675. This was the amount of the loss on the 1958 butter oil. The 1959 butter oil amounted to 30,244,506 pounds, and of this we were able to sell 13,984,170 pounds. The loss was $9,448,661. In 1960 the inventory for butter oil was 47,179,352 pounds and sales amounted to 6,283,280 pounds. The loss amounted to $4,821,793.

I could go on and give all these figures, but if I may summarize the whole picture, including the amount of canned cuts and canned hams that still remain and that go back I think to some time in the sixties, it amounts to a loss of $6 million. The losses on this amount of inventory total $27,824,982. This refers to the program under which we purchase products.

In so far as deficiency payments are concerned, we supported eggs, wool, sugar beets, honey and that sort of thing. The net losses on eggs for 1959-60 amounted to only $37. The loss on wool for 1962 production year amounted to $29,912. The total including all the deficiency payments for 1963 amounted to $700,000, and that is for lamb, wool, and that sort of thing. The payment for sugar beets amounted to $720, which is down this year because of the high prices for sugar. I believe the floor price is $13.80 a ton, and I believe that even in Ontario the producers received something over $15 a ton. In so far as honey is concerned, the deficiency payment amounted to $75,000. The total cost for deficiency payments on milk used for cheddar cheese amounted to $4,301,297. Under the program in so far as butter was concerned, that is butter selling to the consumer at 64 cents, the support for the producer under this program cost us $11,947,372, plus $22,408,921, and for dried casein the cost was $1,878,520. The total amount was $41,353,027.

When you take all the program that I have just mentioned, the total amount was $73,776,260. The difference between this amount and the $122 million, is the change

of inventory which amounted to $48,458,986. I could give you the picture for all commodities.

Mr. Thomas: Would it be possible to have these figures included in *Hansard* today?

Mr. Hays: I can see no reason why they should not be included in *Hansard* if the hon. member so desires.

Mr. Thomas: I suggest that this be done.

The Deputy Chairman: Does the committee agree to have these figures included as part of the remarks of the minister?

Some hon. Members: Agreed.

[*Editor's note: The tables referred to above are as follows:*]

ESTIMATE OF NET LOSS FOR AGRICULTURAL STABILIZATION BOARD

April 1, 1963 to March 31, 1964

Basis of operation and commodity	Production year	Unit	Inventory March 31, 1963	Estimated purchases for year	Estimated sales for year	Estimated inventory March 31, 1964	Preliminary cost calculation Apr.-Dec. 31, 1963	Estimated cost January to March 31, 1964	Estimated net cost of payment for year
Purchase and sale programs									
Butter oil	1958	lb.	2,124,468	nil	1,562,478	561,990	42,675	1,000,000	1,042,675
(a) Butter oil	1959	lb.	30,244,506	nil	13,984,170	16,260,336	5,348,661	4,100,000	9,448,661
Solids	1960	lb.	1,617,280	nil	nil	1,617,280	2,921,793	1,900,000	4,821,793
(b) Oil	1960	lb.	47,179,352	nil	6,283,280	40,896,072			
(c) Solids	1961	lb.	59,589,892	nil	8,438,076	51,151,816	3,178,482	295,000	3,473,482
(d) Oil	1961	lb.	2,159,421	nil	871,466	1,287,955			
Solids	1962	lb.	28,984,626	2,357,411	27,395,459	3,946,578	815,299	330,000	1,145,299
Solids	1963	lb.	nil	73,800,000	38,100,000	35,700,000	767,634	125,000	892,634
Dry skim milk	1959	lb.	1,817,727	nil	1,817,727	nil	161,996	nil	161,996
Cheddar cheese	1961	lb.	nil	9,790	9,790	nil	406	nil	406
	1962	lb.	nil	6,173,288	6,173,288	nil	245,263	2,230	247,493
	1963	lb.	nil	16,153,300	16,153,300	nil	413,499	71,100	484,599
Lamb	1961	lb.	nil	nil	nil	nil	nil	64	64
Pork	1958–60	canned cuts	10,944,990	nil	10,441,638	503,352	5,005,880	1,100,000	6,105,880
		canned hams	4,366,836	nil	2,397,782	1,969,054			
						Sub total	18,901,588	8,923,394	27,824,982
Deficiency payments									
Eggs (admin. charges)	—	—	—	—	—	—	5,631	nil	5,631
Eggs	1959–60	—	nil	nil	nil	nil	37	nil	37
	1961–62	—	nil	nil	nil	nil	3,126	400	3,526
Wool	1961	—	nil	nil	nil	nil	210	nil	210
	1962	—	nil	nil	nil	nil	29,112	800	29,912
	1963	—	nil	nil	nil	nil	nil	700,000	700,000

ESTIMATE OF NET LOSS FOR AGRICULTURAL STABILIZATION BOARD

April 1, 1963 to March 31, 1964

Basis of operation and commodity	Production year	Unit	Inventory March 31, 1963	Estimated purchases for year	Estimated sales for year	Estimated inventory March 31, 1964	Preliminary cost calculation Apr.-Dec. 31, 1963	Estimated cost January to March 31, 1964	Estimated net cost of payment for year
Deficiency payments (concluded)									
Sugar beets	1961	—	nil	nil	nil	nil	1,773	nil	1,773
Honey	1961	—	nil	nil	nil	nil	720	nil	720
	1962	—	nil	nil	nil	nil	74,908	200	75,108
Milk used for cheddar cheese	1963-64	—	nil	nil	nil	nil	3,451,297	850,000	4,301,297
Butterfat content of whole milk	1963-64	—	nil	nil	nil	nil	10,147,372	1,800,000	11,947,372
Butterfat content of cream	1963-64	—	nil	nil	nil	nil	18,158,921	4,250,000	22,408,921
Dried casein and dried caseinates	1963-64	—	nil	nil	nil	nil	1,688,520	190,000	1,878,520
						Sub total	33,561,627	7,791,400	41,353,027
Subsidy payments									
Butter	1961	—	nil	nil	nil	nil	1,845	nil	1,845
	1962	—	nil	nil	nil	nil	3,434,977	nil	3,434,977
Milk for processing	1962-63	—	nil	nil	nil	nil	1,161,429	nil	1,161,429
						Sub total	4,598,251	nil	4,598,251
Estimated total net cost for year									73,776,260

(a) Includes fire loss 410,238 lbs. butter oil 1959
(b) Includes fire loss 3,077,168 lbs. oil 1960
(c) Includes fire loss 1,283,072 lbs. solids 1961
(d) Includes fire loss 371,466 lbs. oil 1961.

Mr. Danforth: May I just question the minister a little further on this inventory? I am not clear on this. The minister referred to the revaluation of the inventory and this loss of $48 million. Does this mean that if these products were offered for sale there would be this loss, or can the minister give me more information about this revaluation of the inventory?

Mr. Hays: Probably I could best explain it this way. Take 1958, and we find the butter oil inventory amounts to 561,990 pounds. Our sales of butter oil were made at something over 27 cents, 27½ cents. Last year, if my memory serves me correctly, we had 81 million pounds of butter oil. Throughout the year we were able to sell, along with some we lost in the fire, something like 18 million or 19 million pounds. The remainder of that amount of butter oil, about 61 million pounds, is now valued, or the 1958 part of it is valued at 27 cents. This would be the seaboard price, possibly on board ship. We wrote it down at $398,000, and 1959 was written down at $11 million. The same is true of butter solids. The estimated selling price is 52 cents a pound, and if we moved any butter, as we did into the United Kingdom this year there would be a further loss if we were to receive less than 52 cents a pound. But at the moment the butter oil in storage is valued at 27 cents per pound or some such amount, and the butter at 52 cents a pound.

Mr. Danforth: In effect this is just a book or estimated loss of roughly $48 million and not a real loss.

Mr. Hays: Yes, that is correct.

Mr. Thomas: There is another point I should like to clear up. Last evening I asked if the amount of $122 million included the consumer butter subsidy. The President of the Privy Council said no. However, from the minister's explanation today I gather there is about $41 million for the consumer butter subsidy involved in the amount of $122 million.

Mr. Hays: Probably the President of the Privy Council did not quite understand the information I gave him. This $122 million includes all programs as well as the write-down. It includes all programs as well as inventory adjustments.

Mr. Thomas: And this goes all the way back to the beginning of operations under the stabilization act?

Mr. Hays: No, this is for the year 1963-64.

Mr. Thomas: And only for 1963-64.

Mr. Hays: Yes.

Mr. Douglas: If I understood the minister correctly, the breakdown of this $122 million is roughly something over $73 million for deficiency payments—

Mr. Hays: Of one kind or another.

Mr. Douglas: I do not think there is any need to question those. They are a very good investment in providing agricultural stability. The balance is some $48 million in inventory losses on agricultural products in storage.

Mr. Hays: And the operating charges.

Mr. Douglas: Yes. I wonder whether the minister has a breakdown of how much of the $48 million is due to price changes and how much is due to spoilage or loss of the actual products themselves. Would it be all due to price changes?

Mr. Hays: I think this is correct. There probably has been some spoilage. We lost some in a fire, of course, and in canned pork and that sort of thing there has been some spoilage, but other than that there has been very little spoilage up until this time. This is why we were so very anxious to start moving some of the butter oil that has been on hand since 1958. The butter that we have sold has been very well received.

Mr. Douglas: I take it there is no breakdown as between the loss due to spoilage and the loss due to price changes.

Mr. Hays: No, there is no breakdown.

Mr. Langlois: With regard to the spoilage resulting from the fire, if I remember correctly the minister gave some figures not too long ago. Was the loss by fire in that particular storage in the millions of dollars?

Mr. Hays: I do not remember the total amount involved in that fire. There was not too much that we were able to recover because the product was in the form of butter oil and it was almost impossible to put the fire out. Most of it was destroyed. We did sell some of it that was not fit to restore. I do not have the exact figures but I will be glad to get them.

Mr. Douglas: Does the stabilization board carry insurance on products in storage?

Mr. Hays: No.

Mr. Ricard: Mr. Chairman, I had a question along the line of the one just asked. I understand that the minister has no definite figures with him with regard to the fire at St. Denis Sur Richelieu. I also wanted to ask him about insurance. Why does the government not have insurance on these stocks?

Mr. Hays: I suppose it would be because the government of Canada is the largest business in Canada and probably the feeling is

that the government should carry its own insurance. Certainly this would seem a very sensible approach to me. Earlier in the year I did give exact figures as to the amount of butter destroyed in the fire, the amount that we were able to recover and so on.

Mr. Ricard: I think the minister is going a little too far when he says he has given all the figures. I think at the time he did not have all the figures, and this was the reason I was prompted to ask the question. I would appreciate having the figures at a later date.

Mr. Hays: I will look into the matter and give the hon. member all the figures.

Mr. McIlraith: I think I perhaps owe an explanation to the hon. member for Middlesex West. Last night a question was asked by the hon. member for Huron relating to this item, and in answering it I pointed out there were two different parts to the item, one having to do with the loss on actual purchases and sales and the other having to do with revaluation. I related the subsequent question to revaluation. It will be noticed that the question asked by the hon. member for Middlesex West followed a question asked by the hon. member for Digby-Annapolis-Kings while I was dealing with the subject of revaluation of inventory. His question appeared right after my remarks but it was actually asked while I was speaking, and I related the butter subsidy question to the question of revaluation. I am sorry if my answer in any way misled the hon. member, but that is how it came about.

Mr. Ricard: Mr. Chairman, I should like to ask the minister if it would not be the proper thing to insure the butter in the warehouse at St. Denis Sur Richelieu. I know for a fact that the people there are quite concerned. They fear another tragedy which could be the cause of great loss. For instance, the butter oil, as it did the last time, could go down the drains and block all the drains of the municipality. The municipality are quite interested in this matter, and they would like to have an assurance from the minister that he intends to do all he can to make sure that what happened last fall will not again threaten this village. I should like very much to have the minister give me his assurance now that he will look into the matter and will do all he can so that the people of my riding, particularly those of the village of St. Denis Sur Richelieu, will be reassured.

Mr. Hays: I would be very pleased to send a directive to all people who store butter in Canada telling them to be sure not to have a fire.

[Mr. Hays.]

Mr. Vincent: Mr. Chairman, I should like to ask a question of the minister in French.

[*Translation*]

Was the storage plant which burned down at St. Denis Sur Richelieu owned by the government? I understand that there is no insurance in the case of government buildings. So, I should like to know whether this St. Denis storage plant was the government property?

[*Text*]

Mr. Hays: I could not answer that with certainty. My understanding is that it did not belong to the government.

[*Translation*]

Mr. Vincent: Mr. Chairman, if the storage plant, which was burned down did not belong to the government—and I understand that the government was paying so much a pound for butter stored—and if the facts prove to be true, I think that the person, or the company, which owns the storage plant has a measure of responsibility to the government whose products it stores.

If, for instance, a company takes my goods in storage, I shall assure myself before handing them over that the company is covererd by insurance to protect those items stored on my behalf. It seems to me, therefore, that the government should also before paying out many thousand dollars in storage costs, see to it that the firm, or the person who owns the storage plant is insured, because it is not up to the government to take up insurance on products it wants to store.

That is the government's responsibility. The government should see to it that its products are duly insured when they are stored elsewhere than on government premises.

[*Text*]

Mr. Hays: I would be glad to look into the mathematics and pass them on to my hon. friend. I suppose there would be many different rates, with one rate for the storage of butter, but this is a situation concerning the storage of other things. I would be glad to give the hon. member information in some detail as to why the government does not pay insurance. It is probably cheaper not to pay it, and I can't tell him what it would cost to pay it.

Mr. Vincent: That was not exactly the question. The question is why the owner of this storage plant is not paying insurance on the stock he is putting in storage for the government, because he is paid so much a pound to store this stuff.

Mr. Hays: In this case it certainly was not carried at his risk. He would want a different rate if it were carried at his risk.

Mr. Ricard: The minister will remember that at the time of the fire at St. Denis I kept in close contact with him. I was asked many questions by the village council of St. Denis and he and I exchanged quite a few letters and also held many conversations. I would now like to ask him whether he has received a resolution from the village of St. Denis asking help from the government for that municipality, due to the excessive expense this municipality had to undertake because of the fire?

I want to tell him that the people there are under the impression that it is the responsibility of the Department of Agriculture to give the necessary protection because this was material belonging to the government, and it is the government's responsibility to see that no damage is done to the municipality.

Mr. Hays: If the request has come into the department it has not been drawn to my attention yet. I am quite sure the storage people were paying real property tax and supporting the fire department, and the city probably felt it was their responsibility. I know that when I was mayor of the city of Calgary we would welcome the government storing things in our city and we would take a chance on looking after fires. That is what fire departments are for.

Mr. Ricard: But that is a big city compared to St. Denis.

Mr. Moore: I would like to ask the minister how much less money was paid out to producers of milk used in evaporated and condensed milk plants since the 25 cents a cwt. subsidy was removed?

Mr. Hays: I do not believe I have that exact figure. We did not pay the subsidy on the milk that went into the manufacture of condensed milk or for soft cheeses, but we did pay a premium, not 25 cents but 30 cents, on milk used for the production of cheddar cheese. Those engaged in the production of soft cheeses had to bid for this milk and the producer received the same amount as the cheddar producer. I gave those figures yesterday.

If the hon. member is speaking of soft cheeses, the amount the manufacturers had to pass on to the consumers would be about half a cent for each small can, and it was less than 1 cent a pound on soft milk cheese. Therefore in order to get milk the people supplying the producers of soft cheese and the condensers, had to bid against the cheddar milk buyers and they passed this on to the consumer. The d.b.s. figures I gave yesterday indicated that the price of milk to the producer has increased in every province.

Mr. Moore: Well, naturally the price of distributed milk could be up because that is controlled by no one but the local provincial boards, but with respect to the condensed factory which I have in mind, and with which I am closely connected, they have raised the price of milk on their own to compensate for the loss of the 25 cents, and they naturally had to raise the price of a carton of condensed milk cans to the consumer. However, the rise in price was not enough to compensate the actual producer for the 25 cents a cwt. he had formerly obtained, and I cannot see that this constitutes a rise in the price of milk.

Mr. Hays: Our d.b.s. figures do not indicate this. They indicate the producer is receiving more for his milk than he did a year ago, including the subsidy.

Mr. Moore: It may be only in the one area.

Mr. Hays: The d.b.s. figures cover all of the areas although there may be regional spots where possibly the price of milk was somewhat lower, but if producers were good operators, for the most part right across Canada they received more for their milk.

Mr. Ricard: I have here a copy of an invoice for a 3.3 test for Mr. Gilbert Bergeron of Ste Rosalie who sells his milk to Carnation, Waterloo. For a 3.3 test on June 15, 1962, his price per 100 pounds was $2.89. For a 3.3 test on June 15, 1963, his average was $2.80 per 100 pounds, in other words 9 cents less than when the Conservative government was in power. Of course, if the minister is going to compare a 3.3 test with a 3.5 or a 3.6 test he will certainly arrive at a greater amount for 1963, but I ask him not to compare a calf with a bull.

Mr. Langlois: I wish to speak on the question of insurance for the storage of butter and cheese, which was raised by the hon. member for St. Hyacinthe-Bagot.

May I ask the minister whether he does not consider it good reasoning to insure this particular government property in the same way as all other government property is insured. It might not be often that we experience such a fire as the one to which I referred, but once is enough, and I should like to know whether the minister is considering taking out insurance coverage in respect to such premises. I do not see why the government should take the risk of sustaining such heavy losses.

Mr. Hays: The policy of the government as it has existed, as I understand, for years and years is that no government property is insured, for the reason that the risk is so widely spread and the amounts involved are so high. I know many cities which do not

carry fire insurance on their buildings for similar reasons. Certainly, we could insure against such damage as the hon. member referred to. But if we consider the costs involved—90 million pounds of butter, 61 million pounds of butter oil—and add the fact that it was costing us until recently $350,000 a month to carry storage charges, it becomes apparent that it is probably cheaper for the government to carry its own insurance on the stock than to insure it.

Mr. Peters: This is a very large item and I think the minister is to be congratulated on the clear explanation he gave, though the breakdown is still difficult to follow. There have, in the past, been suggestions that when items of this nature are set down in the estimates they should be broken down into divisions which make them more easily understandable. This particular estimate involves almost half the total supplementary estimates asked for and it includes most of the deficiency payment items, the subsidy payments as well as revaluation.

These, I would point out, are in unrelated fields. On one hand, there are two forms of making subsidy payments. On the other, there is revaluation. I think they should be kept separate. Those who are interested in agriculture in general wish to know how much is being spent on deficiency payments and to what extent agriculture is being subsidized through such payments. Not only those engaged in agriculture should have this information; I think the public as a whole should be aware of it. The vote speaks of an amount required to recoup the agricultural commodities stabilization account to cover the net operating loss of the agricultural stabilization board, including loss resulting from revaluation of inventory. In my opinion we are dealing here with two entirely different matters. Revaluation of inventory must reflect a change of attitude on the part of the government toward this particular question. We have always been concerned about the disposal of inventory and I should like to know if there has been a change of thinking about the way in which these surplus products should be disposed of.

When the Liberal party was in opposition, their spokesmen on agriculture came out strongly against the selling of canned goods which had been held by the government for a lengthy period of time to the companies which had originally produced them. Objection was taken because such products were then sold on the market at their original prices. This is what happened in the riding of Burnaby-Coquitlam last year after a large transfer of inventory had been made in very suspicious circumstances. Well, the Liberal party were at that time much opposed to practices of this sort and it seems odd they should now bring in an estimate, thrown in together with a stabilization fund item, indicating that there has been a revaluation of inventory involving sales. I am sure the committee would appreciate a much more precise breakdown in connection with some of these controversial items, because it might then be possible for us to deal with these questions in a much more intelligent manner. I do not blame the minister, because he has nothing to do with this matter. But his department has, and all departments of government have an obligation to honour commitments which have been made. Those commitments have to be honoured by the civil servants. I am sure there are a number of them from the Department of Agriculture sitting in the gallery this afternoon. I charge them—and I think the charge is a good one—that they split these items up so that they are more intelligible and really portray what the estimates represent.

Even those who are very familiar with the workings of the Department of Agriculture would have difficulty in understanding what these figures refer to, and though I do not congratulate the minister very often I think he should be congratulated on the knowledge he has shown on this subject and the manner in which he has explained the subjects covered by this vote. However, it seems to me that the department has done a very poor job of breaking this item up and they should really do better if members of parliament are to have some understanding of the operations of the Department of Agriculture.

I think that before the main estimates are brought down the minister should explain to us what changes have been made in this inventory. If we add the two figures which have been given us we arrive at a total of $73 million, representing the amount paid in deficiency payments, subsidy payments and revaluation. I point out that there are a number of subsidies, or payments, which are I think handled in a different way from payments made with respect to such items as tobacco, milk, cream, casein products, and the rest. The picture is not very clear, and one of these days the committee will have to be given a much better account of how we are handling the commodities which we are collecting and subsidizing.

I should like to know whether the minister has anything to add to what he said about the disposition of canned products. Some of them have been in storage for so long that I think their value has been eaten up by the cost of storage.

Mr. Hays: I wish to thank the hon. member for his kind words. I also wish to say a word about my department. I am perhaps one of

the most fortunate ministers in the cabinet in that I do have an outstanding group of civil servants. Perhaps it was my fault that I did not make a better distribution of the breakdown. It is all in the annual report of the stabilization board, and possibly I should have had this report distributed to all members, knowing that the supplementary estimates were coming up for consideration.

Canned pork which we still have in stock amount to 503,352 pounds and we value them at $227,968; canned hams account for 1,969,054 pounds and they are carried on the inventory at $1,076,284.

Mr. Peters: Are any of these goods being disposed of by selling them to the companies which had produced them for distribution by those companies?

Mr. Hays: I do not wish to mislead the hon. member, but I think most of the canned goods have been tentatively sold on an option basis to firms awaiting an opportunity to sell them. This was arranged some years ago and now we are cleaning up. Today pork is supported under a deficiency program, so we do not have to buy it as such. When the price falls below a certain point we make a deficiency payment to the hog producers.

Mr. Peters: Mr. Chairman, I realize it is a little early to ask about this, but has any consideration been given to disposing of our canned meat products and shipping them to the armed services overseas, in Cyprus for instance? I do not suggest that we should revive the bully-beef program of the first world war, or anything like that, but hon. members will recall that a few years ago small cans of pork were put on the market and those which carried the government of Canada label were a very good buy. I think most housewives missed these products when they were taken off the market. They were not a substandard grade of product but were an excellent grade. It might be possible for us to utilize some of these products for our armed services, military hospitals and some of the other agencies and dispose of them in that way. This would be a disposal at the market cost of the product.

I would suggest that we take a look at some of the ways in which we have been disposing of these products in the past and substitute for them other methods that will eliminate the surplus without causing havoc in the particular industries concerned. At the same time we could provide a product that would be sold on its true valuation. In other words, instead of writing off, in this case almost $500,000 in our inventory, we could utilize the products that we have and would probably recoup this half a million dollars. It would seem to me this idea is well worth investigating.

We would not like this to be the sole diet of the troops, or anything of that nature; but I would think some of these products could be utilized in this manner. We could arrive at a much better method of disposing of them than has been the case in the past.

Mr. Danforth: Perhaps, Mr. Chairman, it is because I do not understand this matter thoroughly but I am still rather disturbed about this revaluation of inventory when it deals with a sum in excess of $40 million. The minister has stated that this in itself can be characterized as a book loss and this loss will not be accrued by the government until the stock is moved. In other words, we have over $40 million put down here as a charge when, in effect, it is not a loss until this stock is moved.

Furthermore, if my understanding is correct this $40 million is based upon the present market value of the inventory as compared with the value when these things were purchased. I believe I am right in this. In two months the market value could change upward 10 per cent or 20 per cent, or downward 10 per cent or 20 per cent, which would mean that this estimated inventory loss in excess of $40 million would be very wrong. I hope the minister will give us a little more detail on this matter. I would like to know why, in regard to this particular estimate, this new system was introduced, this change in policy, which in effect gives us $40 million that can be played with in the manipulation of the figures of the Department of Agriculture, because it is not a loss until this product is moved or sold.

Mr. Hays: I think it is quite a normal procedure in accounting practice to deal with something at the market value or the lowest cost. It is just the same as on any statement. If bonds drop $10, you value them accordingly and suffer a loss; and if they go up, you have made some gain. I think this was the thought treasury board had in mind when they asked the Department of Agriculture to take another look at the stocks they were holding.

Mr. Danforth: Can the minister say why this was done, Mr. Chairman? I am interested in this matter.

Mr. Hays: I suppose, Mr. Chairman, because it is good accounting practice; this is probably the main reason. It shows a much truer picture. We have disposed of some 18 million pounds of butter oil, as I said, at around 27 cents a pound. With regard to the

butter oil remaining, the cost of storage is now valued at this amount. We are selling butter at 52 cents a pound; the solids, or butter, are valued at 52 cents a pound. When you add what it costs to store it, and so on, the amount is considerably higher. I do not think this has been a true picture, and I think that today we have given a very true picture of the stocks now held by the Department of Agriculture.

The Deputy Chairman: Shall vote 172e carry?

Mr. Churchill: No, Mr. Chairman; this is a very interesting point. Would it not be wiser to bring in a supplementary estimate much later this year, after these products have been moved? Why do it in advance of the disposal of the products? Supposing the butter oil is not sold at all; what do you do with the $48 million in the interval? Is it available for other uses, or will it be returned to the receiver general?

Mr. Hays: I think that to show a true picture in 1965 we should revalue this inventory and add the cost of holding these commodities. If the price is up, we will indicate that our stocks on hand have gone up in price. If there is some loss, I think we should indicate that. I think this gives a true picture to the Canadian taxpayer. He knows how much we have stored and what it has cost us to store it.

Mr. Peters: Mr. Chairman, the minister is aware of the fact that the agricultural stabilization board has not put out its annual report for this year. Is he in a position to tell us if there was a surplus in last year's operation, or a loss, taking into consideration the question asked by the hon. member for Kent (Ont.)? Can the minister give us this information, in terms of last year's operation? Does the report show a loss or a profit in this regard?

Mr. Hays: This is the figure I gave, Mr. Chairman. It cost $73 million for the stabilization board to do business last year. This is for the support in connection with the three different schemes under which they support these various commodities, plus the breakdown of the inventory, which is an additional $44 million approximately. This gives us an operating loss for the fiscal year of $122 million.

Mr. Peters: My question is in terms of the over-all picture. We are only dealing with the supplementary.

Mr. Hays: No, this is with regard to the whole operation of the stabilization board. It has always been done on supplementary estimates, because I do not think you would know the position at the beginning of the year. It is a sort of "guesstimate" in the budget as to how much money the stabilization board will require for the coming year; but it has always been handled in the supplementary estimates. I think the hon. member has a very good point in this connection, and before this question is discussed we should distribute the agricultural stabilization board report so that hon. members will be more familiar with what has taken place. From time to time last year I said we would be supporting lamb at so much, we would be supporting sugar beets at $13.80, and so on. Some of this support was at 80 per cent and some was at 100 per cent. I think we should have the report of the board before we discuss this matter.

Mr. Peters: How have we made the payments so far? What is the financial arrangement that permits these payments, because certainly some of this $122 million has been paid to date. For instance, the $73 million must have been paid over a period of 12 months at so much a month. How did we get the money to pay these things? Have we a revolving fund for the stabilization board?

Mr. Hays: This is done under the authority of the statute. For instance, we support hogs. We did not pay anything out in respect of hogs. With regard to lamb, for instance, we paid out $700,000. We pay this direct to the producer after he has marketed his lambs to the commission or packing firm. This is done after they have been graded because they are supported on a grade basis. This is the procedure under the stabilization act.

Mr. Peters: What I am wondering about is the technique of getting the money. This $122 million includes the $73 million, which is the total amount. This is the final windup of the account. Have we provided for a revolving fund?

Mr. Hays: Yes, we have a revolving fund of $250 million.

Mr. Peters: What is the state of the fund now? What is the balance in the fund? Does the $122 million bring it up to $250 million?

Mr. Hays: I do not exactly know in what position the fund is now but I am not getting any letters from people who have not been paid. I hope these might pass tonight because we are going to be about $73 million short.

Mr. Baldwin: I want to speak about a matter which appears later, but am I not correct in pointing out that these items are put in the supplementary estimates—possibly the President of the Privy Council can bear me out on this—as a result of a recommendation made by the public accounts committee

in 1961, so that there would be a peg on which details could be provided before the money was spent? In other words, this is an estimate of a probable loss, and it permits members in this committee to discuss government policy which results in a loss of this kind before the money has been spent. Following the year's operations I assume there will have to be another item to cover the exact amount spent.

I think the report of the public accounts committee recommending this policy was filed a year or two ago. I assume that normally this item would be in the main estimates, in which case there would be an opportunity for a fruitful debate at a later date. Perhaps that may be confirmed.

Mr. Hays: I want to thank my hon. friend for explaining this much better than I could. I am just a farmer from southern Alberta.

Mr. Baldwin: And I am just a farmer from northern Alberta.

Mr. Hays: In essence the hon. member is exactly right.

Mr. Danforth: May I ask two further questions. Is this the first time an inventory loss has been recorded in such a fashion, and second can we expect this to be an annual policy on the part of the government from now on?

Mr. Hays: Yes. This inventory will now be computed from market prices.

Mr. Langlois: May I refer back to the question from the hon. member for Timiskaming and the answer of the minister concerning the $250 million revolving fund. Is this $122 million taken out of the revolving fund or just the $73 million? If so, how do you put it back?

Mr. Hays: I should get my hon. friend from northern Alberta to explain this. There is provision made for a $250 million revolving fund. We have this amount to work with and to support all of the programs under the stabilization board. What we are now doing is recouping some of this amount. We have not used all of it but it is a revolving fund. It operates similar to section 88 of the Bank Act, where a farmer can borrow money through a short term loan, pay back some and borrow more.

Mr. Langlois: What I want to know is this. Is the $122 million taken out of this fund, or is the $44 million taken out, or just the $73 million?

Mr. Hays: It all goes back into the revolving fund.

Mr. McIlraith: It is going into it.

Mr. Peters: Mr. Chairman, I am sure that what the minister has said cannot be correct for the simple reason that what we are doing is revaluing the inventory. You cannot put the $48 million into the revolving fund because you did not take it out. Certainly the inventory must be separate from the revolving fund. If not, then we have been discussing two or three matters under this item which are not compatible.

Mr. Benson: Mr. Chairman, might I just attempt to explain this. The $250 million figure includes the inventory. The fund has an amount of $250 million in it and the inventory is bought out of this. Therefore your inventory value plus the cash on hand at the end of the year equals $250 million. If you value your inventory down by $44 million you have to put this amount back in cash in order to bring the value of the inventory plus cash on hand up to $250 million.

Mr. Langlois: Then at the moment there is only $73 million, because $44 million relates to the selling price of these products. At the moment you are therefore talking strictly about cash.

Mr. Hays: The present state of the agricultural stabilization board finances amounts to $250 million less $122 million, less the current inventory of $63 million, which leaves $65 million.

Mr. Peters: Well, may I just ask for the assurance of the minister that when he brings in the main estimates there will be in future a breakdown in the supplementaries which will probably accompany the main estimates so that this procedure is more easily understood, because this is obviously quite a complicated financial arrangement. There are another three items here which are similar, and there should be a breakdown of each one so that the picture is much clearer to hon. members.

Mr. McIlraith: There is a breakdown of this item available, and if I have permission I could have it inserted in *Hansard*. I think it, together with the two sheets filed earlier today, gives all the detail asked for by the hon. member.

Mr. Diefenbaker: Would the minister give a general indication of this document before he asks that it be placed on the record?

Mr. McIlraith: Yes. The production year and commodity is in the first column and the estimated inventory at March 31, 1964 follows. That shows the number of pounds or as the case may be. Then the unit purchase cost is shown; then other costs such as storage; then the current inventory; then the current unit market value; then the calculated inventory

value; and lastly the estimated operating and inventory loss. These columns are then totalled and a figure of $9,800,000 odd is arrived at for storage charges. Each column is totalled, and the estimated inventory loss amounts to $48,458,986.

Mr. Diefenbaker: What were the storage charges?

Mr. McIlraith: In round figures, $9,880,000.

Mr. Danforth: Does that give us the same breakdown and detail on the values themselves or on the operating loss?

Mr. McIlraith: It shows item by item in detail.

Mr. Danforth: The complete inventory?

Mr. McIlraith: Yes. I think this should answer all the questions asked.

The Chairman: Is it agreed that this information be printed in *Hansard* as part of the minister's remarks?

Some hon. Members: Agreed.

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

AGRICULTURAL STABILIZATION BOARD

Agricultural Commodities Stabilization Account—Estimate of Loss Resulting from Revaluation of Inventory

(1)	(2)	(3)		(4)		(5)	(6)	(7)	(8)
Production year commodity	Estimated inventory at March 31, 1964	Purchase cost Unit	Purchase cost Value	Other costs Unit	Other costs Value	Current inventory (Col. 3+4=5)	Current unit market value	Calculated inventory value (unit purchase cost or market value* whichever is the lower)	Estimated operating and inventory loss (Col. 5−7)
	Lbs.		$		$	$	$	$	$
Butter oil									
1958.....	561,990	.7952	446,894	.1693	95,145	.9645	542,039	.2560	143,869	.2560	143,869	398,170
1959.....	16,260,336	.7954	12,933,471	.1557	2,531,735	.9511	15,465,206	.2560	4,162,646	.2560	4,162,646	11,302,560
1960.....	40,896,072	.7878	32,217,926	.1084	4,433,134	.8962	36,651,060	.2560	10,469,394	.2560	10,469,394	26,181,666
1961.....	1,287,955	.7873	1,014,007	.0614	79,080	.8487	1,093,087	.2560	329,716	.2560	329,716	763,371
Butter solids									
1960.....	1,617,280	.6303	1,019,372	.1011	163,507	.7314	1,182,879	.5200	840,986	.5200	840,986	341,893
1961.....	51,151,816	.6299	32,220,529	.0413	2,112,570	.6712	34,333,099	.5192	26,558,023	.5192	26,558,023	7,775,076
1962.....	3,946,578	.5113	2,017,885	.0152	59,988	.5265	2,077,873	.5198	2,051,431	.5113	2,017,885	59,988
1963.....	35,700,000	.5155	18,403,350	.0093	332,010	.5248	18,735,360	.5192	18,535,440	.5155	18,403,350	332,010
Pork 1958-60									
Canned cuts.....	503,352	.5867	295,317	.0262	13,187	.6129	308,504	.1600	80,536	.1600	80,536	227,968
Canned hams....	1,969,054	.8410	1,655,974	.0306	60,253	.8716	1,716,227	.3250	639,943	.3250	639,943	1,076,284
			102,224,725		9,880,609		112,105,334		63,811,984		63,646,348	48,458,986

*Market value is calculated as follows:

(*a*) Butter solids—Average value on a weighted basis according to location of product in each selling price zone.

(*b*) Butter oil—Canned pork—The estimated average value delivered at Canadian seaboard.

Item agreed to.

173e. Estimated amount required to recoup the agricultural products board account to cover the net operating loss as recorded in the account as at March 31, 1964, $1,018,400.

Mr. Peters: This is another vote that requires some explanation of what we are carrying on account of the agricultural products board, and what were the losses?

Mr. Hays: This is the estimated amount required to recoup the agricultural products board for the net operating loss up to March 31, 1964 in the amount of $1,018,355. Perhaps I should read the explanation. The inventory of skim milk powder as at April 1, 1963, was 13,357,977 pounds, and purchases from April 1 to December 31, 1963 amounted to 22,167,224 pounds. Other costs amounted to $64,685. Sales to December 31, 1963 which included 7,036,039 pounds supplied to the Department of External Affairs for international relief purposes accounted for $3,322,988. You will remember when the hurricanes and that sort of thing were taking place, this relief was granted. The balance of skim milk powder to December 31, 1963 amounted to 3,875,099 pounds valued at $406,852. Anticipated purchases from January 1 to April 30, 1964—you will remember we are dealing with the figures to December 31—900,000 pounds, and inventory as at March 31, 1964, this is estimated, 3,875,099 pounds valued at $406,852.

The cost of the whole program, that is costs of sales and donations, amounted to $3,322,988. The recovery from external affairs, they gave it away and repaid us, amounted to $490,380, so our loss on the whole transaction amounted to $951,950. There were expenses amounting to $30,405, making a total of $982,355. The anticipated further loss on sales from January 1, 1964 to March 31, 1964, this is another estimate, is $36,000. This gives us a net operating loss as at March 31, 1964 of $1,018,355.

Mr. Danforth: May I ask the minister if in this particular instance there was any revaluation of the inventory, whether it was included in this $1 million, or was included in the other vote? Has any revaluation been carried into this farm products board account?

Mr. Hays: In this particular case, I do not believe there has been any revaluation of inventory. I do not believe there was any revaluation carried in vote 172e.

Item agreed to.

174e. Estimated amount required to provide for the operating loss of the Farm Credit Corporation for the fiscal year ending March 31, 1964, $1,377,000.

Mr. Doucett: I should like to ask the minister for an explanation of this amount of $1,377,000 for the Farm Credit Corporation for the fiscal year just ending.

[The Chairman.]

Mr. Hays: The amount of money the Farm Credit Corporation has lent to farmers is substantial. We lend it at 5 per cent and this loss of $1,377,000 is the difference between the price that the government has to pay for the money they lent to the farmers and the cost of operating. This is in the neighbourhood of 1 per cent or something like that. In other words, we may be borrowing money at 5¾ per cent, so it is costing us about a half of one per cent to operate.

Mr. Doucett: I should like to ask the minister if there is any breakdown of the amount of operating costs or the amount of difference between what is paid for the money and what is received for it?

Mr. Hays: Well, I can give the hon. member those figures, or if he wishes we could have them printed in *Hansard*. The interest on earnings amounted to $14,900,000; the accrued interest on loans from the government of Canada, $13,200,000; appraisal, supervision and legal fees cost $500,000; salaries and employee benefits, $2,767,000; travel, $306,000; office accommodation, $215,000; office supplies and services, $199,000; provision for depreciation, $37,000; miscellaneous, $53,000. Subtracting the earnings we come up with a net operating loss of $1,377,000.

Mr. Doucett: Has there been any change in the method of bookkeeping within the last year, such as was explained in connection with one of the former items?

Mr. Hays: No, there has been no change.

[*Translation*]

Mr. Pigeon: Mr. Chairman, I deny the remarks made a few days ago by the hon. member for Lapointe (Mr. Gregoire) with respect to the Farm Credit Corporation.

The hon. member for Lapointe was misinformed and has been unfair to this corporation which, in my opinion, does excellent work and has a very able staff.

At the time the hon. member for Prince Albert (Mr. Diefenbaker) was prime minister amendments were made to the Farm Credit Act.

We may say today, that, due allowance being made, the Farm Credit Corporation is lending just as much money in the eastern provinces as in the western provinces, but prior to the amendment to the act, it was very difficult for the eastern farmers to obtain loans from that corporation.

For the information of the hon. member for Lapointe, I wish to point out the fact that the province of Quebec and the maritime

provinces, due allowances being made, have obtained as many loans, if not more, than the western provinces.

As far as the province of Quebec is concerned, we find that it is in a special position, being the only province with a farm credit organization of its own.

The hon. member for Lapointe has been unfair, I would even go so far as to say dishonest in respect of the federal Farm Credit Corporation, which does not practice discrimination in any province of the country, and I want to pay tribute to its devoted staff for performing excellent work in the interest of the farmers.

[*Text*]

Mr. Rapp: Mr. Chairman, I think that the Farm Credit Corporation is still under the jurisdiction of the Minister of Agriculture. I note that there is a loss of $1,377,000 brought about by the difference between the interest rate of 5 per cent charged to the farmers on the money they have borrowed and the rate of more than 5 per cent at which the government has to borrow money. What is the minister's personal opinion? Would he say that the rate of 5 per cent should be changed to balance out the loss, or would he be of the opinion that the rate to farmers should remain at 5 per cent as it is now?

Mr. Hays: Mr. Chairman, the government is unanimous in anything it does, of course, and as this is a matter of policy anything that the government does will be announced at the proper time.

Mr. Rapp: As the minister is from the west I should like to suggest to him that the rate should not be changed from 5 per cent to a higher figure.

Mr. Baldwin: Reduce it to 4½.

Mr. Ricard: I should like to ask the minister a question. Has he at hand the figure showing the number of farmers who did not meet their obligations in regard to loans they have made from the government? If he has, can he give a breakdown showing how many there are in each province who have not met their obligations?

Mr. Hays: I am sorry I do not have that information. I know the number is very small, almost negligible. I also know that the United States lends a great deal more money to farmers under their plan, and the number there who do not meet their obligations is also almost negligible.

Mr. Peters: Mr. Chairman, I want to make only one or two comments. This is a large item and having regard to the way it is listed anybody looking at it might well think that the farmers are not repaying the money they have borrowed, and that as a result there is a loss of more than $1 million. The minister mentioned that this amount included legal fees, and this reminds me of something I have wanted to say for a long time. In my part of Ontario politics are being played so far as the Farm Credit Corporation is concerned. It was only a matter of a few days after the government changed when the lawyers in charge of these loan transactions were also changed. I think this is a disgraceful situation. I have no interest at all in these people.

An hon. Member: They were the right ones in the first place.

Mr. Peters: My friend can say that maybe they were the right ones in the first place, if he likes. I am not going to say whether or not these lawyers are competent, but I am finding that there is just about as much trouble in getting things done by the Liberal lawyers as there was with the Conservative lawyers.

Much of the delay taking place with regard to farm credit loans is the responsibility of the legal people involved in searching titles and arranging for sales. I believe that the changing of lawyers on a political basis is not advantageous to the farmers. The Farm Credit Corporation must be a non-political organization if it is going to function satisfactorily, and it must retain the services of the best lawyers available, whether they be Liberal, Conservative, N.D.P. or Social Credit in their political philosophy. What we are interested in is their legal capabilities, not their politics.

Anyone can check in my riding and he will find that what I am saying is true. This disgraceful action took place with the sanction of all the lawyers. I met several of them and they were laughing about the fact that the lawyers had been changed. The result was that transfers already in progress were held up for many months because new lawyers had been appointed on a political patronage basis to handle them.

I suggest this is one thing that the minister should investigate because it does not lead to satisfactory operations. In my opinion it makes the government look rather silly when it plays around with political patronage in a professional field. It adds insult to injury to those who expect legal people to act in an impartial way. How can they be considered impartial, how can farmers be expected to trust them if they know that they are only political hacks who are getting a few beans from the government by way of legal fees?

I hope this matter is given some consideration and that the responsible senior civil

servants will quit playing the cheap, political establishment politics that many officials in the Department of Agriculture have been prone to play for a long time. Such conduct leaves a bad taste in the mouths of the farmers in my area who were in the process of obtaining loans and then found that politics in the legal profession had interfered. A number of them came to me and complained.

I am quite happy to say that in the main the members of the legal profession in my area do not advertise their politics. I would find it very hard to say what the politics of most of them are, but it is very easy to realize that politics have entered into the matter when one sees the lawyers being changed a few days after the election and loans being held up because of this action. I am not suggesting it has meant a million dollar loss to the Farm Credit Corporation, but I do suggest it has meant a loss of prestige to the department and the Farm Credit Corporation, and it is not to their credit.

Mr. Hays: Mr. Chairman, I should like to make one comment. In so far as the Department of Agriculture is concerned we have one thought in mind and that is the servicing of the farmers. With regard to the Farm Credit Corporation, I can assure the hon. member that there are going to be more changes if the farmers are not serviced with greater dispatch than they have been in the past.

Mr. Peters: It does not have to be on a political level at all.

Mr. Pascoe: Mr. Chairman, my question has been partially asked and partially answered, but as a strong booster of the Farm Credit Corporation, which the previous government initiated, I want to emphasize again the very good repayment record of the farmers. I wish the minister could give us some indication of just what the small percentage of loss is in that regard and also enlarge on the operating loss, because in the last report of the Farm Credit Corporation it says:

> Costs of salaries, office accommodation, and other operating expenses increased from $2,466,717 in 1961-62 to $3,186,399 in 1962-63.

If there was a similar increase last year in the costs of salaries, office accommodation and other operating expenses I would think this would account for most of the operating loss. Would the minister explain if that is the case?

Mr. Hays: This is not exactly so. In 1962 the Farm Credit Corporation had loans amounting to $304,423,000. As at December 31, 1963 the amount was $320 million and it has increased since that time. The cost per $1,000 of loan has not substantially changed. There have been increases in salaries for all these people working for the Farm Credit Corporation and this has to be taken into account in the increased costs.

Mr. Pascoe: I have one more question with regard to the annual report. The minister said that a substantial part of the operating loss was accounted for by the difference between the interest rate on the borrowings from the Minister of Finance and the interest rate on loans to farmers. In the annual report it is stated:

> To finance its lending operations, the corporation borrowed the following sums from the Minister of Finance during the fiscal year: $26,000,000 at 4½ per cent interest...; $11,500,000 at 5¼ per cent interest...; $22,500,000 at 4¾ per cent interest—

Most of the borrowings were at a rate considerably below the 5 per cent interest charged on loans to the farmers.

Mr. Hays: It costs about 1 per cent to operate.

Item agreed to.

175e. Estimated amount required to recoup the prairie farm emergency fund to cover the net operating loss for the fiscal year ending March 31, 1964, $1,940,000.

Mr. Baldwin: I wish to take a few minutes on this, as I think I am entitled to, being a farmer from northern Alberta who helped to get a farmer from southern Alberta out of the bog in which he appeared to be. While last year was a good crop year generally in western Canada, in the Peace River country we sustained very serious crop losses, one of the few years that has happened.

As a matter of fact I think the Minister of Agriculture was up there, doubling in his capacity as a governor of Rotary—

Mr. Hays: And minister.

Mr. Baldwin: —yes, and minister. I may say I found it hard to distinguish sometimes between his Rotary and his political discussions. However, as a result of this crop condition, in the Peace River country we have had almost every type of loss, loss as the result of drought, loss due to too much water, frost, crops covered by snow, and so on.

Mr. Knowles: What about Social Credit?

Mr. Baldwin: This is a blight which we have been suffering under for a long time. Under the previous administration we made benefits available to a great number of people under the P.F.A.A. aid program. At the time we did this it was pointed out it was a matter of trial and error, and further changes would possibly have to be made. In addition, we introduced the Crop Insurance Act which was

to supplement P.F.A.A., but in Alberta the provincial government has not seen fit to introduce the provisions of the Crop Insurance Act.

I may say here, parenthetically, that the people of this area have had the utmost co-operation and assistance from the staff, the inspectors, supervisors and the superintendent here in Ottawa. I have had great help from them, and so have the farmers. It has not been a case of administration, but I am suggesting that because of this condition it is an opportune time for the minister to take a look at both of these pieces of legislation which are designed to dovetail together. I suggest that in the north country we have a cross section of all the losses and all the problems which can be met by farmers, and the minister should have his officials take a look at the results which have occurred when the final figures come in after the P.F.A.A. aid program is completed, and apply their direction with a view to coming up with recommendations for changes.

What was done was excellent. In fact, if I recall correctly, the number of people who can be served under P.F.A.A. has been doubled; but now it is apparent we will have to supplement this program, as was intended when it was introduced. I would urge the minister to use this area as a model, and come up with suitable recommendations dealing with the joint program of the Crop Insurance Act and the Prairie Farm Assistance Act to provide changes which we will require in western Canada.

Mr. Peters: Are there any further developments in the hearing concerning a director and one of the members of the house, in relation to P.F.A.A.?

Mr. Hays: I would not be able to comment, as I think this inquiry is still proceeding.

Item agreed to.

The Chairman: It being five o'clock it is my duty to leave the chair in order that the house may proceed to the consideration of private members' business as provided in section 3 of standing order 15.

BUSINESS OF THE HOUSE

Mr. Martin (Essex East): Mr. Speaker, I suggest that perhaps we could suspend private members' hour and go on with the discussion of my estimates, as I cannot be here tonight.

Mr. Deputy Speaker: Is it agreed that we suspend the private members' hour?

Some hon. Members: Agreed.

SUPPLY

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

The Chairman: Order. Is it agreed that we take the external affairs estimates?

Some hon. Members: Agreed.

DEPARTMENT OF EXTERNAL AFFAIRS

1e. Departmental administration including the expenses of the North Atlantic Treaty Organization ministerial meeting in Canada, May 1963, $56,000.

Mr. Peters: We have waited for a long time for an opportunity to hear the minister report. If he does not say something now, there would be no point in our waiting for another time in the future when he would be available.

Mr. Martin (Essex East): I think we are all here not so much to hear the minister but to get the estimates through. However, I am willing to answer any questions, if my hon. friend has some. This particular item arises out of the net shortage in our communication services for the fiscal year 1963-64.

Mr. Starr: Is that for Washington?

Mr. Martin (Essex East): No, this is our communication services all over the world, including NATO. The main estimates for 1963-64 included $1.3 million for telephones, telegrams and all other communication services. The shortage results from a heavier volume of messages from our embassies all over the world.

The expenses of the NATO ministerial meeting held in Ottawa in May, 1963, exceeded by $24,000 the original estimate of $380,000 provided for in the supplementary estimates for 1963-64. That represents the amount asked for in this first item.

Mr. Howard: I would like to spend some time to express a point of view about the NATO organization. I have always looked a bit askance at our participation in NATO because of its structure, and because of the fact that for some years it has rested almost entirely upon the military basis, that being one of so-called massive nuclear retaliation. In fact that has been the situation since 1954.

If memory serves me correctly, the Liberal party was in office at the time of the formation of NATO when article II was put into effect, providing that NATO might be an international organization which would concern itself with economic advancement of the various NATO nations. While there have been general references to this purpose, nothing has been done in a determined way to move NATO from its military concept into one of economic co-operation and activity, except references made by delegates who

attend the annual NATO parliamentary conferences. Delegates from all parties in this house have attended those conferences, and have found that parliamentary delegates from other countries on many occasions expressed great concern about the necessity for transforming NATO into an organization for economic co-operation and advancement, or least expanding the participation of NATO in the economic field. I think it is perhaps 15 years —this year is the fifteenth anniversary of the formation of NATO—

Mr. Martin (Essex East): The anniversary will be on the fourth of this month.

Mr. Howard: The minister informs me, and I thank him, that the fifteenth anniversary of NATO will be on the fourth of this month, a few days hence. Well, even though this was the great thought, the great anticipation that Canada had when it entered NATO, namely that NATO could be used to promote economic activity among various members of that organization, so far we have not made any step in that direction except as far as the parliamentary conferences are concerned, and their recommendations have not been heeded. To me, this is unfortunate. I am one of those who believe that the major threat which the communist nations present to the western world is a threat which arises from economic strength, not from military power. A few years ago, about 1957, the price of aluminum on the world market dropped tremendously. There was a curtailment in the expansion program in Kitimat in my own constituency, and a decline in aluminum production in North America and in other countries of the western world generally. After it was all over it took a year and a half or two years to realize what had happened. What had happened was this: the Soviet union had, in effect, dumped a volume of aluminum on world markets, undercutting the world price as it existed at that time, and the United Kingdom, an importer of aluminum, bought Soviet aluminum. This brought the world price down and resulted in an economic recession in that industry in the western world. The Soviet union took the action it did for a special reason, not because it had a surplus of aluminum but because it wanted to drive the world price down so that it could buy up the surplus aluminum in other nations in the western world at a price lower than existed then on the world market. This illustrates the type of damage which can be done to the economy of the western world by communist nations depending on economic measures rather than on military strength.

I see the Secretary of State for External Affairs nodding his head. I hope because of his years in the house, his prestige and his experience, it is a nod of agreement with what I am saying. It makes me feel even more confident that I am on the right track than I would normally be.

It seems to me in these circumstances that what we must do is make sure that NATO is an organization which works to the mutual advantage of the nations participating in it. And I believe this advantage must come directly through economic activity and co-operation. It is true we have a free trade community, the sixes and the sevens, the organization for economic co-operation and development, and the like. But all of these have been superimposed upon the various nations of NATO and it seems to me that if article II is really to mean anything we must make far greater progress in its implementation.

Canada is in a special position to urge that this be done because, regardless of the fact that we now have nuclear warheads on our soil, we are still a non-nuclear nation. We do not produce nuclear weapons and I hope no one has given any thought to our producing them. In any event, we are not large enough to do so; we have not the finances at our disposal—perhaps that is the only thing which prevents us. In any event we are not a nuclear nation now, and because of the prestige we enjoy we could bring some pressure to bear on other countries in NATO to transform it into an organization for the economic development of all the participating nations. I should like to see this take place. I know the minister would like to see it. I know the Prime Minister would, too, because he was one of those responsible for article II being placed in the NATO charter. I am sure there is no one in the house who would disagree with the concept that NATO should be used for the economic advantage of the various nations which compose it, as well as of others, but up to the present time nothing has been done about it and it is for this reason I am reluctant to endorse the concept of NATO, not because of the potential which exists but because it rests exclusively on the so-called massive retaliatory nuclear force of the United States. To me this is detrimental, and a handicap to what we are trying to do in the councils of the world.

I do not think I should go much further now into this aspect of NATO. I wish merely to make known these views which are purely personal, and which may or may not represent the views of anyone else in the committee. But I would very much like to see the government take all possible steps open to it in the various ministerial meetings, in the

NATO council meetings and in the parliamentary conferences to drum away at this view that we have far more to gain by co-operating economically than we have by co-operating in a nuclear or military way.

Mr. Knowles: I wonder if the minister would care to take advantage of this item in order to bring us up to date on events in Cyprus. In particular, can he tell us what the hopes of mediation are on that island?

Mr. Martin (Essex East): First of all, may I say to the hon. member for Skeena that I listened with interest to what he had to say and, as he had mentioned, I have indicated that with regard to the basic proposition that he outlined, I am in accord.

However, I think the hon. member would wish me to point out that it was never the intention to transform the North Atlantic Treaty Organization from a military into an economic alliance. As he says, article II of the treaty is one to which Canada attaches a great deal of importance. Both the present administration and the government headed by the Leader of the Opposition have always stressed our view that economic co-operation between the members of the organization was vital to the unity of that body, as well as being in the interests of the participating members. Nevertheless, article II, though an important article, is only one of the articles of the treaty. NATO was conceived as an alliance to provide for the defence of its members in the face of the intransigent position taken by one of the great powers in the United Nations. This intransigence resulted in a number of the members of the United Nations, particularly on the western side, being placed in a difficult position vis-à-vis the armed might of the Soviet union. There continues to be a need for the maintenance of this alliance in spite of the improved position which now exists as between east and west, particularly since the events of a year ago last November. I think it is only correct to say that there has been a very great improvement in the consultative processes of NATO during the last few years and particularly since the establishment of the organization for economic co-operation and development—the organization to which the hon. member for Skeena directed our attention—which is better known by the letters O.E.C.D. It is an organization that provides for the members of NATO, and certain European members that are not in the alliance, and for Japan which was admitted to the O.E.C.D. with the support of Canada when the right hon. gentleman was head of the government of this country.

In addition to the O.E.C.D. we have the Kennedy initiative for an improvement in the co-operative economic measures as envisaged by the President of the United States, and by other countries. Since that initiative was launched we have all endeavoured to improve the economic consultative processes and the economic welfare of the countries in the alliance and those not in the alliance which are members of the O.E.C.D. So that much of what was intended by article II—I do not say all—is now being done by O.E.C.D. and under GATT, particularly following the initiative of the late President of the United States.

I may say to my hon. friend that last November I attended for the first time a meeting of the O.E.C.D., which is directed by the former minister of finance of Denmark, the well-known economist Mr. Kristensen, who will be known to some hon. members of this house. I can say, from that experience and from continuing experience, that some of the work contemplated by article II is being very vigorously pursued by the O.E.C.D. In addition, of course, economic strategy vis-à-vis the Sino-Soviet bloc, to which my hon. friend so ably directed our attention, is discussed on a continuing basis in the economic advisory committee of NATO. My hon. friend may be sure that on that committee Canada, through its spokesmen, is vigilant in the pursuit of the objectives which are implicit in article II to which he attaches such importance and to which Canada under this, the preceding and former governments, has attached great importance.

But, Mr. Chairman, I would not be discharging my obligation as Secretary of State for External Affairs if I left the impression that there was not in the opinion of the government a continuing need for Canadian support and participation in NATO. There are, of course, differences of method being pursued by some members of the organization. There is, however, no basic difference as to the ultimate need and purpose of the alliance. Canada believes that it is in the interests of her defence at the present time to continue wholeheartedly in support of the North Atlantic Treaty Organization. Our defence is predicated on the existence of this organization as much today, in the face of the present level of armaments, as at any time since the organization came into being.

With regard to the question put to me by my hon. friend the hon. member for Winnipeg North Centre, when I was in Geneva a few days ago attending the United Nations trade and development conference I took advantage of the presence there of Secretary General of the United Nations, U Thant to discuss the participation of Canada in the international peace keeping force in Cyprus. There was also

an opportunity to discuss this question with Mr. Spinelli, head of the United Nations in Europe and the secretary general's representative in Cyprus, and with Lieutenant-General Gyani, the distinguished Indian soldier to whom has been entrusted the command of the United Nations peace keeping force. There was an opportunity, during these discussions, of conferring on matters inevitably involved in an operation of this kind. The discussions had to do with the establishment of the terms of reference to be extended to the forces by the United Nations, the directives to the force commander and the role that the United Nations force would play in this whole operation.

The secretary general will be reporting one of these days to the security council. It is not possible for me, in the interests of the assignment that has been given to Canada and to other participating members in the United Nations force, to reveal the full directives. However, I am satisfied, and so are my colleagues and the other participating governments, that the arrangements thus far established for the operation of the force are designed to make effective the functions of the force in Cyprus. At the same time, they take into account the understandable interests of the participating countries, which at the present time include the United Kingdom, Canada, Sweden, and the forces from Finland and Ireland. In the case of Sweden, Ireland and Finland, the full complement of participating forces has not reached the island, but forces are coming every day from these countries. As they join Canadian and United Kingdom forces there is, in accordance with the security council resolution, a withdrawal of British forces, which will reduce to a total of 3,500 as compared with the total of 7,000 British forces in Cyprus when the force became operational last Thursday.

I saw the secretary general a week ago Sunday night. I discussed with him, not only the matters to which I have referred in a general way, but also the desirability of a mediator being appointed at the earliest possible moment. Under the terms of the resolution passed by the security council on March 13, the full authority for the appointment of a mediator resided with the secretary general, but he consulted with a number of countries including Canada. We made known our views to him, since he asked for our advice. While our concurrence in the appointment of the distinguished Finnish diplomat, a former prime minister of Finland, was not essential, his well-known qualities in the field of diplomacy and mediation seemed to us, as they did to others concerned with the island of Cyprus, to indicate that he would be the kind of man to whom this very difficult task could be entrusted.

The arrival of Canada as a member of the force was greeted with gratitude by all sections of the island of Cyprus, notwithstanding some stories in the paper only yesterday that some criticism was made. There was general relief on all sides about the establishment of the force. Because we were the first to arrive, great satisfaction was expressed at the decision of Canada to participate in the force, and to do so on terms which did not demand any financing of our participation out of the resources supplied voluntarily by a number of countries, notably the United States and the United Kingdom.

The other day Archbishop Makarios welcomed the United Nations commander and spoke with gratitude of the presence of the United Nations force in Cyprus. It is significant that a vice president who represents one of the other communities on the island also expressed directly to the commander—as indeed he did directly to the Canadians—his satisfaction at their presence and his assurance of co-operation. This is, as was pointed out by the right hon. Leader of the Opposition and the hon. member for Burnaby-Coquitlam when we discussed this question a few days ago, a difficult operation, and we were wise to anticipate that the difficulties may be greater than they now seem to be. However I hope this anticipation will not be justified. We are ready, and we indicated when we joined together in supporting the decision for Canadian participation, to face the dangers which it is anticipated may lie ahead.

I am satisfied that the force went to Cyprus at a crucial time. We decided to participate in this force the day after Turkey indicated her dissatisfaction at the conditions prevailing on the island. I had an opportunity when in Geneva to discuss this matter in greater detail with Mr. Erkin, the foreign minister of Turkey. He expressed his country's satisfaction that the force had been established and that Canada was participating in it. I also had an opportunity when in Geneva to discuss with one of the ministers of the government of Greece matters involved in our participation. I need only report to the committee that the same satisfaction and gratitude was expressed by the government of Greece. So that we have all of the official bodies on the island, in Greece and in Turkey which have an interest in the preservation of order supporting our participation in this United Nations force.

Just to make my story complete, I should add that when the Minister of Industry was in Athens the other day attending the funeral

of the King, at my suggestion he discussed this matter with the foreign minister of Greece. This was before the establishment of the force. I am grateful to him for doing so, and as a result of this discussion we were able to take some steps which led to a decision.

I realize, Mr. Chairman, that many in Canada are interested in the operation of this force. At no time would I take umbrage at questions related to the directives or the terms of reference given to the United Nations force, not by Canada but the United Nations. Once we joined the force, we recognized that we belonged to a United Nations body. My first meeting with General Gyani impressed on me that this commander of the United Nations force was, obviously and from his record, a very distinguished soldier. I am sure he is also a wise man who understands the delicate command which has been assigned to him. I know that he will discharge his responsibilities in a way which will assist the United Nations force in its endeavour to maintain peace on the island.

The functions of the force are different from the functions of the mediator. Under the terms of the security council resolution, there is no relationship between the two except the obvious one, which would be nonlegalistic. The United Nations force is a police body sent to Cyprus by the United Nations for the purpose of preserving order. It will be the function of a mediator to do what he can to unravel the regrettable and tragic differences which prevail between the two communities. We still have problems. I will not be expected to reveal the nature of these. What we all want is to see a force which will preserve order, and I would not want to add to the problems of the United Nations peace keeping force in any way as a result of any comments or responses I might make. I simply remind the committee that both with regard to the terms of reference and the directives which have been issued, we are satisfied that they should enable the force to discharge its obligations as effectively as circumstances on the island will permit; and thus far they have permitted the fullest and most effective operation of the force.

With regard to the status of forces agreement, that has not yet been finalized but the attorney general of the government of Cyprus has given the secretary general an assurance that we may count on the kind of status of forces agreement which existed for the United Nations force in the Congo. It took some three and a half months before that status of forces agreement was concluded.

Finally, in answer to my hon. friend's question may I say that the United Nations presence through this peace keeping force is essential. I am also satisfied, from all I know about this matter, that the participation of Canada is essential. I am satisfied that if Canada had not taken the decision which it did, we might have been faced with a situation which would have been much more serious—and I will not elaborate on that. I conclude by saying that this operation continues to be in the tradition of Canada under all governments so far as peace keeping obligations to the United Nations are concerned.

The method of financing this operation is by no means satisfactory. As the right hon. gentleman said when he spoke a few days ago, as a result of the ad hoc financing arrangement in this particular situation we may have established an undesirable precedent. I hope not. I believe there was a precedent before, in the financing arrangement for the less important but very desirable observation mission which is now operating in the Yemen, in which Canada plays a part.

The three months duration of the term of this force in Cyprus will come to an end three months from the day when the force became operational, and that was a week ago tomorrow. At that time, under the terms of the security council resolution, the force must come to an end unless in the interval the security council has renewed the authority of the secretary general.

I should like to think that the situation in Cyprus would improve by that time. I have no reason to believe it can or will improve sufficiently to warrant the withdrawal of the force. At that time, regrettably, the United Nations may be face to face with a situation similar to that which existed when this force was being considered prior to March 13. I hope that this whole experience in Cyprus, more particularly in Cyprus than in other similar situations, will cause the nations of the world to recognize that if there is a détente at this time in the relations between east and west, that can only be furthered by giving the United Nations which is the only available body for this purpose, the opportunity of providing for the kind of police forces that are essential in situations such as Cyprus.

I conclude by saying that this country need not have any second thoughts, in my judgment, about the wisdom of the course it took in the establishment of this United Nations peace keeping operation. Our participation was essential and we are honoured to discharge this function alongside countries like Sweden, Finland, Ireland and the United Kingdom and the forces of Cyprus, both communities. All this is designed for the purpose, not of imposing a political solution upon the

people, but of preserving the peace in that very important and strategic area until a solution is found.

Mr. Diefenbaker: Mr. Chairman, in the few moments between now and adjournment, I want to assure that others shall have an opportunity of expressing their views, and therefore I am going to restrict myself to a few observations. I thank the minister for the outline of the views of the government based on his experience at Geneva following conversations which he has had with those whom he named. I know General Gyani very well. There is no one in the military world who, I believe, has the same capacity and ability to discharge a difficult and delicate position such as his. I saw him in operation in the Middle East command. He has not only military capacity, but above all he has that diplomatic finesse that enables him to communicate with those under his command, and also the people in the area in which the force operates.

I need not say, however, and I am sure the minister will not take this as criticism, that while the outline he gave was eloquent and couched in grandiloquent language, the information which he provided did not equal the diction which he used. He has told us nothing about the directives. I realize that it would have been within his discretion—

Mr. Martin (Essex East): There is no discretion on my part. If I were to give those directives I would be violating the request of the United Nations itself, as well as the agreement amongst the participating countries. I am sure my hon. friend, who had important experience with the Congo, will understand why I am saying this.

Mr. Diefenbaker: I cannot argue with that. When the minister says he has been advised not to give any information in this connection, I would be the last to ask him to depart from that admonition he has received. But it does impress me as being extraordinarily strange that Canada, contributing an 1,100 man force out of 7,000, should not have available to her people the basis, the general basis rather than the particular directives, on which the force will operate.

What is to be its role? In general, it is to be a peace keeping role. However, we do not know the circumstances under which it is to be discharged. Questions have been asked as to whether there would be power in the force to disarm guerrilla bands and the like. We have no information in that connection. It is not for me to conclude that the view held in some quarters is actually the correct one.

[Mr. Martin (Essex East).]

But generally speaking, the criticism that has been made of the force is this: It is a powerless force. I should like the minister to outline in general terms, keeping strictly within the circumference of the areas upon which he can give precise information, what is the authority of this force? We know what its purposes are. We know its objective is to maintain the peace until a permanent settlement can be secured. But surely Canada, making a contribution not only of manpower but also a large monetary contribution to the United Nations force, should be entitled to more information than the minister provided today.

Reading the editorials across the country, there is a feeling among the Canadian people as a whole, that Canada is entitled to more information than has been given as yet. I am not going to say any more in that connection. The minister, in general terms has spoken of the hope that the force will achieve peace, and that the United Nations will have available at all times a force to be used when the circumstances demand international action for peace. We believe that, and the minister was fair enough in his remarks to refer to the government of which I had the honour to be the head. We made available this force, the Royal 22nd, as the force which could be used at any time Canada decided a United Nations force should be dispatched. We believed that was necessary. This force, therefore, was available when difficulties arose in Cyprus which demanded that a force be sent there. Inasmuch as Canada took the lead in providing a trained force for the purpose of assuring mankind that Canada would play her part in peace keeping operations at any time under the United Nations, surely we are entitled to more information than we have had today.

Mr. Martin (Essex East): Will my right hon. friend permit me to interrupt. I know he does not want to give a wrong impression. Will he not agree that when the Congo force was established and when the government of which he was a member agreed to participate, the same position was taken by the government of that day as I have taken today? In the light of events at that time, it was the correct position, I am sure. There was no revelation of the directives to the force then. I say to the right hon. gentleman that we are not taking this course because we do not want to give information. If we were to give this information, we would not be contributing to the reason for which the force was established which was to try to bring about an accommodation and preserve the peace in the very difficult situation that exists.

Mr. Diefenbaker: Mr. Chairman, I do not accept the analogy at all. The Congo situation was quite different. I am speaking now from

recollection but I do not believe that there was any question whatever at any time as to the directives upon which that force operated not being made available.

Mr. Martin (Essex East): They were never made public.

Mr. Diefenbaker: The hon. gentleman says they were not made available.

Mr. Martin (Essex East): And should not have been.

Mr. Diefenbaker: We clearly stated what the purposes and powers were and the force discharged its authority in pursuance of the information we gave to parliament which was based on the arrangements made. I cannot understand the reason for the secrecy here. What possible reason is there why a force sent as a peace force should operate in a vacuum of secrecy?

Mr. Martin (Essex East): There is no secrecy. My right hon. friend should not say that.

Mr. Diefenbaker: The situation apparently is that the people of the nation which has contributed this force are to know nothing else but that a contribution was made in men and money. No one is to know how the force will operate and what the concept is upon which it will discharge its responsibilities. I must say that the words of the minister in that connection do not impress me. I feel we ought to have more information than is available to us in the newspapers.

Mr. Martin (Essex East): Would my right hon. friend—I know he has been very generous with my interruptions—allow me to call his attention to the statement made by General Gyani himself as found in the *Times* of London of March 28 and reported in these words:

> On the question of what directives had been received... and what orders were being given... General Gyani could not, or would not, give any precise answer.

The reason is the reason I mentioned. I ask my right hon. friend—

Mr. Diefenbaker: Mr. Chairman, I have listened to the minister with the greatest of attention—

Mr. Martin (Essex East): That is right. I am sorry.

Mr. Diefenbaker: —and I also maintained silence, but the minister does not like what I am saying. Certainly General Gyani is not going to reveal that. General Gyani is the general in command of all the forces. We are here in the parliament of Canada and our hands are not tied in the way that the general commanding these forces would find his hands tied. Certainly I know what General Gyani said, but I am not speaking to General Gyani. I am speaking to the Secretary of State for External Affairs of Canada in the parliament of the country, and I am asking what the general directives are and how this force is to discharge them. Certainly the comparison between the Secretary of State for External Affairs in his own parliament and the general chosen to command the nationals of four or five countries blended together in the United Nations force is quite out of place. I do not want to keep the hon. member for Burnaby-Coquitlam from having an opportunity to speak and that is the reason I conclude for the time being.

Mr. Douglas: I should like to thank the Leader of the Opposition for giving me a moment or two to say something. I wish to make two comments with reference to the outline which the minister has given. First of all, with reference to NATO, I do not have the time now to discuss this matter in any detail but I should like to say that I cannot agree that O.E.C.D. has really taken up the role which was assigned to NATO under article II. I think a much wider role was envisaged, a role of economic aid to underdeveloped countries, and in my opinion O.E.C.D. so far has not carried out this role to any reasonable extent.

Second, I had hoped that the minister would give us some information about the proposed multinational nuclear force because, while we in this party have supported NATO as a military alliance set up to provide a deterrent against Soviet aggression in Europe, the fact remains that a nuclear force under the command of NATO would in our opinion present a series of difficulties which we think would make it necessary for Canada to reappraise its whole association with NATO. I will not elaborate on that at the moment.

Let me say one word with reference to the Cyprus situation.

Mr. Martin (Essex East): Of course we are not participating in the multinational force.

Mr. Douglas: I should like to know whether or not we are going to participate, whether we have been invited and to what extent we have committed ourselves. This is what I was hoping the minister would say, and if he does not do so on these estimates I hope he will say something on his main estimates.

If I may take a moment I should like to say something about Cyprus. I agree with the minister that Canada has good reason to be proud of the role she is playing. May I also say that the minister himself has played a commendable role in helping to bring about this force, and all Canadians are proud of

this fact. But I think what has been said by the Leader of the Opposition is something which the government must take cognizance of. This parliament dispatched troops to Cyprus, and while we are heartened to have from the minister the assurance that the government is satisfied that the terms of reference and the directives are satisfactory, it should be remembered that the people of Canada have committed their sons and their treasure to what may be a battlefield. Therefore I think we have a right to know that they are amply protected and that they will not be hamstrung by the directives.

Mr. Martin (Essex East): I may assure my hon. friend that they will not be hamstrung and the directives do not permit that.

Mr. Douglas: This is what we would like to know. Is it true, as has been reported, that they will not be allowed to remove roadblocks?

Mr. Martin (Essex East): That is not the situation.

Mr. Douglas: The newspapers have reported that they will not be allowed to remove roadblocks. Troops cannot move in mechanized vehicles unless they can remove roadblocks and drive away any military forces that insist on restricting them. Second, I think the whole question of disarming guerrilla forces ought to be cleared up. If this is going to be left entirely to the Greek government, does this mean that the Greek government is going to disband only Turkish guerrillas and leave Greek guerrillas armed, or under the subterfuge of taking them into the national militia to allow them to roam about the country? What is the position of the United Nations force if it sees guerrillas attacking defenceless villages and helpless men and women? Can they intervene or are they there purely as a showpiece? Are they in a position where they can not only defend themselves, but can also intervene to prevent civil war?

Mr. Martin (Essex East): I am sure my hon. friend would not want the country to get the impression that they cannot defend themselves. I assure my hon. friend that the directives will enable them to defend themselves to the full. I must say to my right hon. friend, the former prime minister that, knowing the responsibilities of government and knowing the situation in Cyprus, what he said today was not calculated to assist in the discharge of that very difficult assignment.

Mr. Diefenbaker: May I say to the hon. gentleman that that statement is uncalled for and improper, and indicates that in order to get away from answering he resorts to that subterfuge.

Mr. Douglas: Out of the three minutes I had, Mr. Chairman, the Leader of the Opposition and the Secretary of State for External Affairs have taken one and a half, so I suggest that we call it six o'clock.

Mr. Martin (Essex East): I am very sorry. I would be agreeable to go on.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

DEPARTMENT OF LABOUR

L27e. To authorize the Minister of Finance, notwithstanding the Unemployment Insurance Act, to credit, on such terms and conditions as the governor in council may determine, to the unemployment insurance fund such sums as may from time to time be required by the said fund; the aggregate of the sums outstanding at any one time not to exceed $55,000,000—To extend the purposes of vote L27a of the estimates for 1963-64 to cover requirements in the fiscal year 1964-65, $1.

Mr. Knowles: Is the minister going to make a statement?

Mr. MacEachen: Mr. Chairman, I would like to make a brief statement in explanation of this request to authorize the Minister of Finance to credit the unemployment insurance fund such sums as may from time to time be required by the fund, the aggregate of the sums outstanding at any time not to exceed $55 million. This is the purpose of vote L27e of the estimates for 1963-64 to cover the requirements in the fiscal year 1964-65, and that item will be found in the supplementary estimates for the fiscal year ended March 31, 1964.

The unemployment insurance fund at the end of the fiscal year closing yesterday had a debit balance of $4½ million. As we know, the heavy months for disbursements are the months of April and May, when disbursements from the fund usually outrun the income to the fund. Therefore the purpose of this particular item is to authorize the Minister of Finance to make loans to the fund to tide it over the period of the next two months, and as the requirements of the next two months are made known by the treasury officers of the unemployment insurance commission, the requests will be made by the commission for these advances.

I may add that the necessity for making this request arises from the longstanding condition that has prevailed within the fund, namely the excess annually of disbursements

from the fund over income to the fund, and if one wishes to examine the situation for each of the fiscal years from 1957 to the present time, he will realize that each year there has been a substantial drop in the fund.

I think I ought to put these figures on the record because they indicate the cause of the situation with which the fund is faced. For example, for the fiscal year 1957-58 the fund dropped $130 million. In 1958-59 it dropped $235 million; in 1959-60 $134 million; 1960-61 $181 million; 1961-62 $118 million; 1962-63 $57 million, and in the fiscal year which ended yesterday the drop was $14 million, the least by a long shot of the lowest of the preceding years I have mentioned.

The fact is that the experience of the fund over the past year has reflected the improved employment situation and an improved labour market situation. For example, in the past six months the benefit payments from the fund have declined, in comparison with the year preceding, by something like 14 per cent, and the contributions have increased by a significant percentage, 4 per cent over the comparable six months of the preceding year.

Notwithstanding these improved circumstances within the fund, the accumulated inheritance of the preceding years, combined with the $14 million drop last year, has resulted in a debit balance of an estimated $4½ million for the fiscal year ended yesterday. In order to make our payments for the next two months we are asking the house to authorize this particular item. We expect that as income reaches an excess over disbursements in the months ahead we will pick this up and the fund once more will be in the black.

Mr. Starr: Mr. Chairman, we have listened to the very short statement, delivered by the Minister of Labour in a very casual manner in order to minimize the existing situation, but it is quite evident that the fund is broke. Of course the fund went broke a number of times in previous years. This is something we all know, but there was never an attempt made to cover it up. It was always the policy to come to parliament and give a straight statement of fact, so that parliament could vote the necessary authorization to lend money to the fund in order that those receiving unemployment insurance benefits would not be deprived of them.

The Minister of Labour has the faculty of always injecting political aspects into his statements. He goes back over the years and says the fund has dropped during those years, but on the other hand we hear him saying that conditions have improved tremendously and that unemployment is not in evidence in Canada any longer. If that is so, why is it that over half a million unemployed Canadians are drawing unemployment insurance benefits?

I feel the government has pressured the committee to pass these supplementary estimates because this was the main item it wanted passed; but a lot of questions arose in our minds. It is easy to say that the supplementary estimates have been before parliament since March 6, the day they were tabled.

There was a $1 item. Surely at that time the government must have been advised by the unemployment insurance commission that the fund was running out and that authorization to lend money was needed. I would not be at all surprised if they knew approximately, or exactly, when the fund would be dry. It would have been so easy for this government to have been honest and forthright. It could have come before parliament last Thursday and said: We need this item because the fund is running out and people will not be paid unemployment benefits. But they chose another course. They chose to sit quietly and demand that the committee pass all the items, including this particular item they needed. Now the cat is out of the bag. This is what the government wanted the committee to pass. This is why we are dealing with the unemployment insurance item today.

It is obvious that yesterday, when a question was asked so innocently and casually by the hon. member for Winnipeg North Centre and replied to by the Minister of Labour—

Mr. Knowles: I did not know the hon. member would regard me as innocent.

Mr. Starr: —to the effect that the fund was running out and, later on, when the Leader of the Opposition questioned the Minister of Labour about this matter, that the situation was bound to be disclosed. As recorded on page 1595 of yesterday's *Hansard*, the Minister of Labour said:

> —I certainly do not want to put this in a provocative way, but my information today is that unless the particular item is approved this week, the commission would be in difficulty to make benefit payments by the end of the week.

Surely to goodness the responsibility of a minister of labour cannot be left to the last minute. If the hon. gentleman was doing his job properly he would have known before yesterday that this fund was in a precarious state. Can you imagine, Mr. Chairman, the unemployment insurance commissioners calling on the hon. gentleman yesterday and telling him they were going to run out of money at midnight? How could anyone swallow a story of that kind? But this is what the government hopes to get away with. Why did this government not take parliament into

its confidence on Thursday last? As I said earlier, we could have dealt with this matter expeditiously, as we intend to do today, and the house would have adjourned for Easter, and the Prime Minister's promise would have been kept. We know, today, that this was the only item which had to be passed on a basis of urgency. Why did members on the treasury benches opposite not tell us on Thursday that this was an urgent matter? They said nothing. They allowed the committee to believe they wanted all the items in the supplementary estimates passed, hoping no one would pay any particular attention to this $1 item—hoping it would pass unnoticed and that the people of this country would not have known that this fund is now bankrupt.

Mr. Knowles: But for my innocent question.

Mr. Churchill: That is right; a planted question.

Mr. Starr: What happened yesterday? The Minister of Labour has not taken us into his confidence. Did the government get another $15 million yesterday. Was this appropriated for the fund? The hon. gentleman should answer this question honestly. If so, it must have been appropriated by means of the Governor General's warrant of last year and, in that case, what is the legality of spending this amount in the present fiscal year? Have members of the government sitting opposite conferred with the Minister of Justice to ascertain the legality or otherwise of using this money which they appropriated yesterday, or is this another example of illegality such as this government is getting into the habit of displaying? We had an example not too long ago of the law being broken. Here is another.

The first information we had of this situation was when the member for Winnipeg North Centre asked that innocent question. I repeat that the government tried to conceal the fact that the unemployment insurance fund was broke, and that in doing so they gave clear evidence of irresponsibility. The question arises: Who wanted to keep this information from parliament? Who got the idea that parliament should not be told that the fund was on the brink of bankruptcy? Was it the Minister of Finance? Was it the Minister of Transport? Whose idea was it? If it was the idea of the Minister of Finance, then he went to Quebec and left the Minister of Labour holding the bag. The Minister of Labour had been selected to go to Quebec and we wonder why he is here today. Was the bag left with him—empty? The hon. gentleman now admits that they hid this situation from parliament and today, when the situation has become acute, he asks parliament for approval to make this loan.

[Mr. Starr.]

The minister should tell us now whether or not an appropriation of $15 million was made yesterday and whether it has been ascertained that the money appropriated yesterday can legally be spent during the current fiscal year. Regardless of the fumbling, irresponsible government that we see before us now, we as members of parliament have a responsibility to pass this item, so that over half a million unemployed Canadians shall not be deprived of their unemployment insurance benefit payments.

Mr. Knowles: I suppose I should make it clear at the outset that I am not an innocent abroad. I realize that when the hon. member for Ontario used the word "innocent" he applied it to my question, not to me.

Mr. Pickersgill: What is the hon. member guilty of?

Mr. Knowles: I am guilty of having asked the government and the house to schedule a debate on this item at eight o'clock tonight so that any concern or alarm which might be felt in the country as a result of yesterday's news can be allayed.

I am glad to join with the hon. member for Ontario in saying that it is the responsibility of this committee to pass this item this evening so that the people who have to draw unemployment insurance benefits can be assured positively that there will be money in the bag to pay their claims. As the hon. member for Ontario says, it was because of a question which I asked yesterday that the minister admitted that this difficulty was facing us. Hence our request today that we sit tonight, even though it is not usual for us to sit on Wednesday evenings, and get this matter cleared up.

I hope that in the course of the further remarks which I trust he will make the minister will make it clear that the passing of this item, even though it is only $1, has the legislative effect of ensuring that there will be sufficient money in the fund to pay all claims which may be presented during the period when the fund is being built up by further contributions.

It seems to me that, even though the whole question is somewhat technical, we should have a more detailed explanation than the Minister of Labour has yet given us. It has been my experience here that these $1 items are sometimes much more complicated than the items for millions or hundreds of millions of dollars. It has also been my experience that items in the estimates that legislate seem to have different results. I can recall items in the estimates, that I thought applied only to the fiscal year in which they were passed, having a continuing effect down

through the years. Then on some other occasion we find that an item in the estimates that had legislative effect seems to be spent by the end of the fiscal year.

Actually we are being asked in the supplementary estimates for the fiscal year 1963-64 to extend the provisions of a supplementary estimate that was also passed in the fiscal year 1963-64. I refer to supplementary item L27a, which was in the supplementary estimates "A" for the fiscal year 1963-64, which authorized the making of loans by the Minister of Finance to the unemployment insurance fund up to an outstanding aggregate at any one time of $55 million. There is nothing in the wording of the estimate L27a, which was finally passed the night we prorogued in December, that puts any time limit on the lending power provided in that estimate.

I would like to have either from the Minister of Labour, the Acting Minister of Finance or the Minister of Justice an explanation as to why this borrowing power ran out as of midnight last night, in view of the fact that there was no cut-off date in the wording of the estimate as it was passed last December. Was it because the full $55 million had been lent, or is there some other reason? I think that even though this is a technical situation, it should be cleared up. The vote that is now before us does not provide any more money. The vote we had before us last December provided $55 million and the authority to lend it. The vote tonight is merely for $1, which is the legislative symbol, but no additional money is provided.

I think this whole question of the relationship between the $55 million lending authority that we provided last December and the vote tonight should be made clear to us by the minister. If it is—and I assume it is—a fact that there is a legal requirement to get further lending power at this time, I think the minister should explain to us why he let this matter run down so close to the wire. If the government had authority yesterday to borrow money from the Minister of Finance for the unemployment insurance fund, and if there was some question as to when these estimates might get through, and if there was even some question as to whether Their Honours in the other place might stay here for such purposes as we call upon them, why did he run this risk? Why did he not borrow the money yesterday before the authority ran out at midnight last night? If I seem to be asking these questions in a critical vein, Mr. Chairman—and perhaps I intend to be critical in any case—it is because I think we should have an explanation so that we know what this is all about.

I can readily understand the concern of the hon. member for Ontario, though I am afraid I do not share his view that the matter has been concealed. After all, it has been in the supplementary estimates that have been before us for two or three weeks, and if we did not see this item ourselves, some of the alert members of the press gallery saw it and came to us and warned us what it was all about; so we have known about this matter for some time. Therefore even though it was not concealed, in the sense that it was kept secret, I think we do have a complaint that the government did not tell us the importance of this item at one of the times when we were making arrangements for the business of this house. I think the government should have told us it was planning to go down to the wire and let the unemployment insurance fund become almost empty, and were running the risk of parliament not passing this supplementary estimate; and if the senators did not stay here to give royal assent to the bill, they were running the risk of letting the fund be emptied some time this week or next week.

I think it is unfortunate that even in one night's news, as it happened last night, the alarm was spread across Canada that unemployment insurance benefits might not be payable because of this complicated situation. Perhaps more needs to be said as we go along, Mr. Chairman, but I think the main impression that should be created by tonight's debate and by the passing of this item is that this alarm can be set aside; that the fund will have money to pay the claims. But I think to this house, to parliament, the minister and the government owe an explanation. When the minister is making that explanation perhaps he will tell us at the same time what the government's plans are at this session with respect to amendments to the Unemployment Insurance Act or, perchance, to a complete overhaul of that act. He will recall that when we were discussing his main estimates last November, we asked for certain things to be done at this session. He gave us a list of priorities, of certain things that were sure to be done and certain things that he would try to get done. I believe an overhaul of the Unemployment Insurance Act was one of the things promised for this session. However, it was not in the speech from the throne and so far we have not seen any legislation with respect to this matter. Surely if the fund is in this precarious position it is time that this promised overhaul of the Unemployment Insurance Act was proceeded with. As I say, Mr. Chairman, we want the main impression tonight to be one of certainty so far as the unemployment insurance fund is concerned; this is what the public must learn from what happens

here tonight. But we in parliament have coming to us from the minister a very clear explanation of the whole matter.

[*Translation*]

Mr. Lessard (Lake St. John): Mr. Chairman, now that the various parties in the house have agreed to pass this item of the supplementary estimates, in order to enable our unemployed to receive their insurance benefits, I shall only very briefly take part in this debate so as not to draw it out unduly. I just want to make a few remarks which, I think, are called for at this time. Last year the Gill commission, the cost of which was paid with public funds, submitted a report suggesting solutions for some problems among which the one we are facing tonight, that is an unemployment insurance fund without funds.

Mr. Chairman, it seems to me appropriate to stress that we did not yet see any legislation in this house to enact some recommendations in this report. Personally, I would not carry out all those recommendations, but some of them at least might have eliminated the problem before us tonight.

To my mind, Mr. Chairman, the unemployment insurance fund cannot be very long-lived considering its condition, and the rules will certainly have to be changed so that the situation which has prevailed for the past two or three years does not become permanent.

I certainly do not want the unemployment insurance benefits to be delayed because in the province of Quebec we have 173,000 unemployed at this time and in the whole of Canada almost half a million.

In my riding, more particularly with a labour force of 13,000 people, there are about 3,000 without jobs, which is almost 25 per cent.

I would hate to be one of those who would delay the carrying of these estimates, because that would delay the payment of unemployment insurance benefits to unemployed who need them badly.

My own area is very much affected by unemployment. I should like to tell the Minister of Labour (Mr. MacEachen) that the winter works program helped my area somewhat, since there are now 800 men working in my riding, a factor which eased the pressure on the fund.

However, following the ill-advised decision of the minister to shorten by a few weeks the duration of the winter works program, he will have more jobless to look after starting May 1.

That is why I am of the opinion that the Minister of Labour, following his decision to reduce the winter works period, will have to find a new formula and to set up a new program which might be entitled summer works program, since the winter works program will be closed.

[*Text*]

Mr. Langlois: Mr. Chairman, I have one observation to make about the special sitting this evening, and it is that the press gallery seems to be more alert than some of our cabinet ministers. I know the government has a habit of taking 60 days of decision, but this time they do not have 60 days. As I mentioned once before this government has a habit of bringing things up at the last moment and getting everyone in a whirl in trying to force things through without hon. members knowing what is going on. I think the minister should have some explanation to make for our sitting tonight.

One question which comes to my mind is why his commissioners have not brought to his attention this state of affairs. The hon. member for Ontario mentioned this matter a little while ago. Everybody hoped and expected to have an Easter recess, but it appears the unemployment insurance fund would have been drained before the end of the Easter recess. I imagine the minister or his commissioners were up to date. If they were not, why not, and why was the minister not told about this? The unemployed have enough trouble trying to get work, or trying to squeeze a little money out of the government, without our having to tell them that the insurance fund is broke, a state of affairs which has resulted from the government's negligence through not voting the necessary cash. In my constituency two mines closed down a few days ago laying off 600 workers, and like the hon. member for Lake St. John I would be the last to wish these people more trouble, on top of the trouble they have already, as a result of their not being paid their unemployment dues.

Across the country there are over half a million unemployed. I was saddened to hear last night over the national network that the unemployment insurance fund was in a very critical state. Similarly this evening it was sad to hear that the house has to have a special sitting after the deadline for this fund has passed so as to vote the necessary funds in the form of a $1 vote under this item. I hope that the government will not require other additional sittings for a similar purpose in connection with other fields, or that I shall not hear another broadcast on the national network indicating the government was not up to par on its business, having forgotten to do something of this sort.

Another matter which was raised by the hon. member for Lake St. John, a matter

which I have brought up myself at different times—although the minister has always told the house he was taking it under consideration—concerns the Gill report which was presented some time ago. I am wondering why the government has not set up a committee to study this report. I do not approve of all of it, but there are some points in it which are worthy of consideration. In view of the high rate of unemployment in the country today every possible opportunity should be taken to reduce the figure and to help our unemployment offices across the country. I think the report has a few recommendations to make about the unemployment insurance fund, and if some of these had been put before us we might never have been faced with this situation tonight. At least, we would have passed these items before the Easter recess. Therefore I would urge the minister to consider the Gill report and to make sure he provides the necessary funds in the future, so if we do have an Easter recess we might take 10 days free of worry about whether or not the unemployment insurance fund is broke. The government should consider other possibilities which might present themselves, instead of bringing things in at the last moment. Although the members of my party are willing to sit here tonight because this matter requires discussion and clarification, it does not necessarily mean we will make a habit of it; I think everyone in our group is of that opinion. Nevertheless we are all expecting an explanation from the minister for this state of affairs today.

[*Translation*]

Mr. Ricard: I would not miss this opportunity of making some comments on the matter now before us. I think that on this matter I also speak on behalf of hon. members from the province of Quebec.

Once again it is our responsibility and the responsibility of parliament to come to the rescue of the government which manoeuvred itself in a deadlock.

I shall take only a few minutes, so that the government may get without further delay the assistance it needs so badly.

Mr. Chairman, it is in order to mention some things so that the Canadian people will be aware of what is happening in this House of Commons and of the stand taken by the government which is responsible for looking after the interests of the nation.

We have had similar situations in the past. And our friends opposite who were then in opposition could not find the proper words to qualify our lack of vision and good will in that matter.

I have before me some of the questions the present Secretary of State for External Affairs (Mr. Martin) asked when he was himself on this side of the house. I wish he were here tonight in order to recall some of the questions he then asked concerning the replenishing of the unemployment insurance fund.

In fact, when referring to *Hansard* of February 17, 1961, it is noted that the member for Essex East asked what step the government would take to replenish the unemployment insurance fund in order to comply with the vested interest of the eventual claimants under the Unemployment Insurance Act.

He asked a similar question as reported in *Hansard* of April 27, 1961. He again asked the same question on June 27, 1961, as reported on page 7111 of *Hansard*. On September 8, 1961, as reported on page 8108 of *Hansard* he asked a similar question. Finally, on January 31, 1962, once again as reported in *Hansard*, he asked the former minister of labour what he would do to replenish the unemployment insurance fund.

We have been led to believe by those who sit on treasury benches that they know the answers to all the problems, and as they claimed, there would be no more unemployment if they came into power.

In spite of the fine promises they made in order to assume power, there are still 500,000 unemployed in Canada, of whom 173,000 are in the province of Quebec.

No mention is made whatsoever by Liberal members from Quebec of measures that should be taken nor do we hear from them suggestions likely to help the minister to bring some relief to the unemployed anxious to work.

Mr. Chairman, I shall say no more, so as not to delay any further the business of the house and to prove that we, on this side of the house, are doing our utmost to help the present Minister of Labour to get out of the tight corner where he finds himself now.

I only wanted to remind the Secretary of State for External Affairs that when he was sitting on this side of the house, he was worrying much more about unemployment than he is at present.

If the members of the government would learn their lesson, if the fund deficiency would wake up the ministers into taking their responsibilities and the firm resolution to work more in the interests of the unemployed, I would be the first one to rejoice.

[*Text*]

Mr. MacInnis: I have only a few words to say on this particular matter. No one is more aware of the situation in Cape Breton than

the minister, and of course I have knowledge of what the situation is there. The fact that we are dealing with this item tonight is of no importance. The important thing is that something is being done, despite the fact that on Monday evening the minister was warned it was necessary to make this move. The information he gave to the house was given in response to a question by the hon. member for Winnipeg North Centre. The importance of this matter was brought to his attention quite clearly on Monday evening.

I say this because I am most anxious to see that the thousands who are unemployed in Cape Breton will be entitled to the benefits that are due to them. In addition to that, I should like to remind the minister of the situation in Cape Breton today where the miners of district 26, numbering 7,000 in all, are now idle because of a strike. The miners are idle because the mines cannot be served with the necessary hoppers to carry away the production. I should like the minister at this time to clear up the question of whether or not those who refuse to work at a strikebound plant qualify for unemployment insurance. This question was brought up some time ago. I am quite sure the answer is that a man who refuses to enter a strikebound plant remains entitled to these benefits.

The railway unions are involved in this same dispute because their constitution does not require them to cross over any picket line. They are also, therefore, unemployed and are not aware of the situation in respect of unemployment insurance. These men are honouring their contract and, at the same time, are honouring the idea that no union man shall cross a picket line. I believe these men are qualified to draw unemployment insurance benefits because their contract calls for them to protect life, limb and company property. On this basis, these men have not crossed this picket line so I feel they are qualified to draw unemployment insurance benefits. I hope the minister has brought to the attention of union officials the request I placed before him, and has answered the union officials in that vein.

I would say also that it is fortunate we are able to sit tonight as a result of a change of mind on the part of the members of the N.D.P. who were not willing to sit this morning, but who were willing to sit this evening to deal with this very important question. A change of mind is always good. Yesterday they were unwilling to forgo private members' hour but today, to satisfy the legitimate request of the Secretary of State for External Affairs, they changed their minds and we did deal with government business during private members' hour. I would implore the minister to look closely at the situation in Cape Breton and the qualifications of the miners and the railway workers to draw on their unemployment insurance. I ask that everything be done to expedite this matter in their interests.

[Mr. MacInnis.]

Mr. McIlraith: There is one point arising out of the remarks of the hon. member for Winnipeg North Centre that I think should be clarified and that is an explanation of the need for the vote in this form. If hon. members will read the item in supplementary estimates (A), they will see it reads as follows:

To authorize the Minister of Finance, notwithstanding the Unemployment Insurance Act, to credit, on such terms and conditions as the governor in council may determine, to the unemployment insurance fund such sums as may from time to time be required by the said fund; the aggregate of the sums outstanding at any one time not to exceed $55 million.

Now, supplementary estimates (E), which are before us, contain the item we are considering, L27e, which reads as follows:

To authorize the Minister of Finance, notwithstanding the Unemployment Insurance Act, to credit, on such terms and conditions as the governor in council may determine, to the unemployment insurance fund such sums as may from time to time be required by the said fund; the aggregate of the sums outstanding at any one time not to exceed $55 million—

Mr. Knowles: So far, it is the same.

Mr. McIlraith: Yes.

—to extend the purposes of vote L27a of the estimates for 1963-64 to cover requirements in the fiscal year 1964-65, $1.

In other words, the item now before us merely grants authority to the Minister of Finance to credit the fund in the fiscal year, 1964-65. If the original item is looked at, it will be seen that the credit could not have been put in the fund last year for use in April and May of this year. That is the nature of the difficulty.

Mr. Knowles: Would the minister point to the words in the vote of last December that limit its use to that fiscal year?

Mr. McIlraith: Yes, that will be found in section 2 of the Appropriation Act, and perhaps I could just read part of it:

The total of the amounts of the item set forth in the supplementary estimates (A) for the fiscal year ending the 31st day of March, 1964 as contained in schedule B—

And that is less certain amounts authorized by this act, and then I continue quoting farther down:

The amount authorized by this act to be paid or applied in respect of any item may be paid or applied only for the purposes and subject to any terms and conditions specified in the item—

It will be seen that the item and the sections of the Appropriation Act limit the item to the last fiscal year.

Mr. Knowles: So far we just have to take your word for it.

Mr. McIlraith: I hope my word is correct.

Mr. Churchill: The preamble to the act says that.

Mr. McIlraith: That is the difficulty. It is a case of not being able to use money of last year for the present fiscal year and not having the authority this year to make the transfer, so it is a matter of clearing up the rather technical requirements of the legislation as it stood.

Mr. Starr: Was an appropriation made yesterday in the amount of $15 million either by order in council or in some other form?

Mr. McIlraith: No. I was rather surprised to hear the assertion by the Leader of the Opposition to that effect, but there was no such grant made.

Mr. Martin (Timmins): Mr. Chairman, we live in a rather strange world. I have sat in the house for some seven years and in every one of those seven years have heard the minister of labour tell the house about how rosy the employment picture is, how it is improving all the time, how every year it is a little better than last year and how it is certainly better than when the terrible former government had the reins of office in their hands. In spite of this here we find ourselves sitting on a Wednesday night, which is a strange experience, in the middle of an Easter recess, which is also a strange experience, and once more being told by the Minister of Labour how much better the unemployment picture is than it was before, merely because we have lost another $14 million out of the unemployment insurance fund in the last year.

I am not sure of the exact figure but I believe that in 1957 when I came here the unemployment insurance fund stood at approximately $950 million or $960 million. I did a quick addition of the minister's figures tonight and, unless I got the figures wrong, the fund has dropped $879 million since 1957. We had $950 million or $960 million in 1957 and I distinctly recall that on two occasions the house voted $25 million to spruce up the fund. Last year we voted another $55 million, making a total in all of well over $1 billion. I would say it is about time that the house and the country should be given a few more facts in regard to the fund and a little less propaganda from the government of the day.

However, Mr. Chairman, I should like to speak primarily on another matter tonight. It is a problem that disturbs me considerably and one that has been growing and growing as the months have gone by. I think the practice involved is becoming quite prevalent across the country because I have heard of it happening not only in my own area but in many other areas. In fact, I have even had workers in Ottawa come to me and ask me to try to help them out of similar situations.

At first I thought the practice was confined to some of the local officials in the unemployment insurance offices, but from a letter I received today from the minister I find that if the minister's office is not encouraging or implementing this policy they are at least going along with it holus-bolus. I think I have found something to indicate the reason that the loss in the unemployment insurance fund is not as bad this year as last year. It may be due in part to this practice which is growing up. In my opinion it is a very insidious practice and should be stopped.

The best illustration I can think of has to do with a man in my constituency who has a crippled leg. He was employed at the Adams mine in Kirkland Lake, some 80 miles from Timmins and about 50 miles from his home town of Val Gagne which is halfway between Kirkland Lake and Timmins. The minister states in his letter that his information is that this man was fired because he was caught sleeping on the job. But this is not quite as bad as it may seem, as expressed in those base words.

The man was employed as a cage tender. I would point out to those hon. members who are not familiar with mining terms that a cage tender is very similar to an elevator operator. On any job where an elevator or cage of this nature is being used and the operator is on the graveyard shift, and only gets a call maybe every hour and a half or two hours, it is quite understandable that if he is warm and comfortable he may doze off. I do not think this is a terrible thing because if anybody wants the cage all he has to do is ring the bell and the tender will answer it, unless he is sleeping so soundly that he does not hear it. My colleague says that as an old fireman I do not sleep through bells and that is very true. The mine for which this man was working had a policy that anyone caught sleeping would be automatically discharged. The man was discharged, and because he was discharged for cause he was subject to the normal six-week disqualification as far as unemployment insurance is concerned. After that time however he qualified for unemployment insurance. Some time later this man, who does not speak very

much English, received a form in the mail containing a whole series of very simple questions such as "how much would you like to earn". The man, being optimistic, said he would like to earn $75 a week. "What would you like to do?" He said he would like to drive a truck. After all, he has a crippled leg and cannot do every job. "Where would you like to work?" His wife and family live in Val Gagne so he said he would like to work there. However, what the man did not know was that he put his foot in six or seven carefully laid traps that resulted in his being disqualified indefinitely. He did not understand why he was disqualified indefinitely.

I went home on the week end and he came to see me. I looked at the correspondence and I showed him that he had disqualified himself because he had restricted his area too much and there were not that many truck driving jobs in Val Gagne. He said he knew that, but he would drive a truck in Timmins or Kirkland Lake where there are lots of truck driving jobs. But he had not said that. They asked him where and he said in Val Gagne.

As soon as I explained what he had done he went back to the office and reapplied. Lo and behold a letter came back saying that he was disqualified again because he only wanted to drive a truck. Their interpretation was that he was confining himself to driving a truck. This was not the man's intention at all. They asked him what he would like to do and he answered by saying that he would like to drive a truck. So he was disqualified again.

When I explained the situation to him he went back and reapplied but he was still disqualified. He was disqualified once for the area, once for the wages and once for the occupation. Finally they ran out of reasons for disqualifying him and they came back with a real dandy. They finally disqualified him on the ground of credibility. To date the man is still disqualified.

As I stated earlier, my objection is that the minister and his department seem to have swallowed this line holus-bolus because I have here the letter I received from the minister which reads in part as follows:

> I understand that Mr. Julien subsequently completed a statement to the effect that he was restricting his availability to employment as a truck driver in Val Gagne only.

That, Mr. Chairman, is not a statement of fact. It is an opinion derived from a questionnaire sent out by the department which the man filled out very innocently, but the department drew their own conclusions from it and disqualified the man.

[Mr. Martin (Timmins).]

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

Mr. Martin (Timmins): Yes.

Mr. MacInnis: Was the letter referred to by the hon. member signed by the Minister of Labour?

Mr. Martin (Timmins): Yes. He goes on to explain the fact that the man made an appeal to a board of referees from the insurance officer's decision and that his case was heard on November 20, 1963. I quote:

> The board, after considering all the facts—

What facts, Mr. Chairman?

> —unanimously dismissed the claimant's appeal and upheld the decision of the insurance officer.

He goes on to explain how he applied on two different occasions, and the reason he applied on two different occasions is because for the first time this man had explained to him just exactly what he had done.

I thrashed this out with the local officers in Timmins, and had them admit to me that if a man told the truth he would automatically disqualify himself, but if he turned out to be a real good liar he would qualify for insurance benefits. I ask the minister, is this a practice which is allowed to grow up in his department and in unemployment insurance offices across the country, and what is the reason for it? Is it to dress these figures up so that they will look a little better, so that we can hear more propaganda like we heard tonight, when the minister said the fund dropped only $14 million last year compared with $57 million the previous year?

How many of these cases exist across the country? If we find that out maybe we will find that the only difference between the figures this year and last year has been the number of people who have been disqualified by this insidious method. The minister should take a look at the situation immediately. Whenever it arises the people involved have to fall back on their communities and go on local municipal welfare. It is time something was done about it.

Mr. Winkler: It is not my intention to detain the committee at length, but I certainly concur in the speech made by the hon. member for Timmins with regard to the case he has brought forward. I find that immediately one goes beyond the boundaries of the larger urban centres, with their complex situations with regard to labour unemployment, this is a very common practice. Exactly the same situation exists in my part of Ontario, and obviously this is a practice which is condoned by the minister's department to disqualify applicants in cases where a very few miles are involved.

The applicant is usually refused the advantage of benefits. He may be offered employment in an adjacent town, but in a lot of instances the job is gone before he gets there. The minister should take a close, long look at this practice because it certainly must reflect itself in the figures he quoted this evening. He would find a considerably larger number of people would be involved if a more honest approach were taken to such cases.

I listened to the minister giving the figures with regard to the amount of money required over the past few years, and with regard to the diminishing amounts required in the last two years. This in large measure represents the policies of the former government and the success which they had. In fact this was pointed out to us by the former minister of labour when he told about the employees of a large firm who assured him this was the case, and expressed their gratitude.

In regard to the importance of the critical situation which faces the unemployment insurance fund, it was the hon. member for Cape Breton South who first drew attention to it, as reported at page 1585 of *Hansard* for Monday, March 30, when he said:

> Some of us are anxious to deal with other matters including the position of the unemployment insurance fund, which has dried up.

I understand, as stated by the President of the Privy Council this evening, that under the appropriations bill the government does not have the authority to make expenditures from the fund regardless of how much money was left in the fund after midnight of March 31, but I wonder exactly how much money is left in the fund. I do not think the minister has given us this and, as was stated by the hon. member for Ontario, the reason for this special sitting tonight is that this is the important item which must be passed, and this was the reason why the situation which existed last Thursday evening occurred.

I can see no other reason for the whole development that has taken place up to this evening. Again no one has disagreed to sitting tonight in order to take care of this crisis. I shall have more to say about this next week when we resume the budget debate, but I blame the Minister of Finance for the situation, no matter how much responsibility falls on other ministers who are present this evening. He must have been aware of the situation or else he was delinquent in his responsibilities to the people, and particularly to the Minister of Labour, in not seeing that the situation was dealt with expeditiously last week.

The Minister of Finance is not present tonight and, as I say, I shall go into this further next week. I believe he should take a close look at his responsibilities to the parliament of Canada and see that the business of the house is expeditiously handled, so that the Minister of Labour will not be placed in such an embarrassing set of circumstances.

[*Translation*]

Mr. Plourde: Mr. Chairman, the hon. member for St. Hyacinthe-Bagot (Mr. Ricard) was saying a moment ago that he was speaking on behalf of the Quebec members. Apparently he is ashamed for he has been hiding behind the curtain ever since—

Mr. Ricard: I rise on a question of privilege—

Mr. Plourde: He may very well speak on behalf of the eight Conservatives, but as far as we are concerned we can uphold our rights ourselves.

Mr. Ricard: Mr. Chairman, on a question of privilege—

The Chairman: Order. The hon. member for St. Hyacinthe-Bagot rose on a question of privilege.

Mr. Ricard: Mr. Chairman, I would like to point out that I was probably guilty of a slip of the tongue when I said a little earlier that I was speaking on behalf of the hon. member for Quebec East (Mr. Beaule) because I do not think it would be an honour to do so and I would rather not speak for him. I apologize. I intended rather to speak for hon. members of the Conservative party on this side of the house.

Mr. Plourde: For the eight Conservative members. However, I must say that it is not the hon. member for Quebec East but rather the hon. member for Quebec West and that the latter is still able to take care of himself when the time comes.

In the province of Quebec, especially in my riding of Quebec West, I know that there is unemployment. That is why I am happy to be here tonight to see that these estimates are passed, because I would not like those who are entitled to unemployment insurance benefits to be deprived of them.

It is nice to hear the Minister of Labour (Mr. MacEachen) say that unemployment is decreasing since, according to him, the amount that parliament has to supply for that item is lower this year.

On the other hand, if we had before us the amounts of the estimates spent on unemployment assistance, we might doubt his words because they bring to our mind, in a way, what the hon. member for Timmins (Mr. Martin) said a little earlier: They are going to great lengths to prevent workers from being eligible for unemployment insurance

benefits. Because a great number of unemployed who are not eligible for unemployment insurance benefits are receiving unemployment assistance.

If the minister can tell the house what has been the increase in unemployment assistance this year, we might find out where is the trouble and see at the same time that the number of the unemployed has not decreased that much.

It was just a play on words: unemployment assistance for those not eligible for unemployment insurance, but those eligible for unemployment insurance are listed as unemployed.

[*Text*]

Mr. Rapp: It is not my intention to speak for very long, but I should like to say it is gratifying for me to see the concern shown by the Minister of Labour and also by the committee for these unemployed people who receive unemployment insurance benefits. I should like to point out that there are thousands and thousands of farm labourers who, when they are unemployed, cannot receive unemployment insurance benefits. These men also have families to look after and on many occasions I have had bills on the order paper asking this house to provide that they, too, might be included under the Unemployment Insurance Act in accordance with the recommendations of the Gill commission.

My bills were talked out, but I wish to use this occasion to urge the minister to give serious consideration to their subject matter the next time one is introduced. Indeed, if this could be done before my bill comes up for consideration it would be even more appreciated by the farm labourers and by the country as a whole.

Mr. Churchill: I do not wish to prolong these proceedings to any great extent but, as other members have pointed out, we have now discovered what was being hidden from us last week. We have found out the main item in these estimates which required immediate attention by the committee—an item which should have been dealt with last week. I now wonder why people on the other side of the house failed to respond to our suggestion last Thursday, when the whip of our party twice asked them if they would disclose the essential items so that we could look at them and see if we could not pass them quickly. I myself said to the acting prime minister at four o'clock on Thursday: Extract from the list of estimates those which are essential and must be passed; let us have a look at them and see what we can do, and if they are not too great in number, and you will stand the other items, we will accept an appropriation bill, not printed or typewritten, but in oral form, which would be a most unusual procedure. This was the co-operative spirit we showed on Thursday last, but no response came from the other side. And all the time they knew that this item needed immediate attention.

It is strange this should have been deferred. On Monday the Minister of Finance is reported to have said in the corridors: I am terribly afraid the press will find out about the unemployment insurance fund. What was he afraid of? Then the word began to go around that the unemployment fund was exhausted.

Mr. Knowles: That is probably why he said it.

Mr. Churchill: Then people across the country were disturbed as to whether their cheques would be available. I think it is disappointing that the Minister of Labour was not more forthcoming in his answers. On Tuesday, just yesterday—mention has been made tonight of the manner in which this matter was brought to his attention—he gave three or four answers. First of all, as recorded on page 1595 of *Hansard*, he said this:

> —It is my hope that we will be able to deal with the supplementary estimate providing for a loan to the fund within the next short period, so that the fund will be able to bear its responsibilities within the next week or so.

Note the words "within the next week or so". He went on:

> At present the reserves are not adequate to finance the benefits beyond a very short time.

Well, he lulled everybody into calmness. He talked about "the next short period". He spoke of "within the next week or so" and "a very short time". I heard his answer and I thought: Well, everything is all right for a couple of weeks.

Mr. MacEachen: Would the hon. gentleman read the answer to the question asked by the Leader of the Opposition?

Mr. Churchill: Oh, I have them all underlined.

Mr. Pickersgill: Don't forget half the words.

Mr. Churchill: The answers are these, and *Hansard* records them. The hon. member for Winnipeg North Centre asked a supplementary question:

> Is the item in the estimates regarding this matter one of those that must be passed fairly soon?

The hon. member did not say "immediately". He said "fairly soon". Naturally he would say that, after the statement about "a short period" or "a week or so". And the answer given reads: "Yes, Mr. Speaker", a

straightforward answer. Then the Leader of the Opposition questioned the minister as follows:

> Is it not correct that the fund is in such a position that the government will be able to provide the necessary assistance even if action is delayed for ten days? Is that not correct?

My right hon. friend was justified in asking that question, based on the answer given earlier by the Minister of Labour—"the fund will be able to bear its responsibilities within the next week or so".

Mr. McIlraith: No, read the answer.

Mr. Churchill: I am going to read the answer. I am saying that the Leader of the Opposition was justified in asking the question he did, in view of the previous answer by the minister which I have just read. Let me repeat this. The Leader of the Opposition was assuming that everything would be all right for another ten days. But the Minister of Labour, being concerned, then answered as follows:

> Mr. Speaker, I certainly do not want to put this in a provocative way—

May I interrupt the quotation here and say I cannot understand why the Minister of Labour should follow the bad example set in this house by the minister of external affairs, that of using a great number of words when just two or three would suit his purpose. I suggest to him that if he is looking forward to his future he will select someone else in his group as an example. He went on to say:

> —my information today is that unless the particular item is approved this week the commission will be in difficulty to make benefit payments by the end of the week.

Note the phrase "my information today". He did not know the day before. He did not know last week—

Mr. Pickersgill: Stick to the words he used.

Mr. Starr: Use your patience now; do not get excited.

Mr. Churchill: He spoke of the difficulty of making benefit payments. He did not say: The fund will be broke; we cannot get out the cheques. Finally, in a corner, the minister admitted that this item had to be passed in order that the cheques could be sent out this week. Why was that not said to us last week? Why could not the government have taken us into its confidence and admitted that this was the case? Why did they not say this was an essential item in the supplementary estimates?

But oh, no; there was concealment.

Mr. Pickersgill: It was just in the estimates, that's all. That is concealment, is it?

Mr. Starr: There was concealment. You just stuck the thing in and didn't tell the house about it.

Mr. Pickersgill: Can't you read?

Mr. Churchill: I am receiving quite a bit of assistance, Mr. Chairman. I do not require this assistance at all, with respect to people on both sides of the house. Why all this concealment? The acting prime minister—

Mr. Knowles: Which one?

Mr. Churchill: The Minister of Transport. He interjected and said that the item was in the estimates. Of course it was; we saw that. But why would the Minister of Labour say that the fund would be able to bear its responsibilities within the next week or so and then, within a minute and a half, say the item had to be passed this week? Either he does not know what is going on in his department or he was concealing facts from the house, and this is what we object to.

Mr. Pickersgill: How childish.

Mr. Churchill: Or else he was under the impression that some of the money that was made available by special warrants last year was still available. But the unemployment insurance commission would surely advise him as to what was required. However, Mr. Chairman, that is the situation. A full disclosure on the part of the government would have expedited the business of the house, but they kept this away from us.

The Minister of Finance was terribly afraid that the press might find out on Monday. What arrant nonsense. We are quite prepared, and would have been prepared last Thursday or earlier, to pass this item with regard to the unemployment insurance fund, because we naturally want, as does everybody in this house, people to receive benefits from this fund. But this is the treatment they have received from this government—just fumbling and bungling along. I think they are falling apart at the seams and are not long for this world.

Mr. Pigeon: It is the same old clique.

Mr. Webb: Mr. Chairman, I want to say immediately that I concur fully with the remarks of the hon. member for Timmins. Never have I, in five years, received anything like the mail that I am receiving today and have received in the last few months from applicants applying for unemployment insurance to which they are undoubtedly entitled. Each and every day these letters are arriving.

An hon. Member: How many?

Mr. Webb: Quite a number. I would also like, sir, to ask the minister whether he, his department or the unemployment insurance commission have at any time issued a directive to the officers to disallow any doubtful claims or claims which might be disallowed on any grounds at all. I should like the minister to answer this question, because it seems very obvious to me that this directive has gone out. Day by day we hear that unemployment is dropping, and is dropping rapidly. I ask then, sir, what is the reason that time and again I see in the newspapers that the staffs in the unemployment insurance offices have been increased? These are questions I should like to ask the minister.

Mr. Peters: Mr. Chairman, I should like to say something in this connection because I am probably as confused as the Canadian public are going to be. There appears to be a doubt—and I hope the minister can clear this up—as to what money we need and whether there was any reason for requesting this special sitting tonight, and also whether the government is prepared to bring in an appropriation bill covering this $1 and ask us to pass it tonight so that the fund may be supplemented.

Mr. Pickersgill: How ridiculous.

Mr. Peters: Well, it is ridiculous for us to be here if we do not know whether it is necessary. It was not ridiculous for the Minister of Transport to try to make a deal to have four or five items passed which obviously we shall have to discuss under a separate appropriation bill. I am wondering whether it is necessary for us to be here, Mr. Chairman, and I cannot see much merit in our doing this to satisfy the Senate before they decide to go home.

Last year the minister said that the depletion in the fund amounted to $14 million, but we did have the borrowing power, by statute, through a previous supplementary estimate, to raise $55 million. I am not sure, and I do not know whether hon. members know if we borrowed that $55 million. If we did, this amount would be added to the $14 million by which the fund was depleted, which would make a total cost last year of $69 million in connection with unemployment insurance. I do not know whether this is true and I do not think the country knows yet. Perhaps we are going to find out. I imagine the minister would have had an obligation to borrow money some time ago when he saw the fund going down to the breaking point, when we had spent $14 million, in view of the fact that the authority to raise more money had already been granted by parliament for that year.

[Mr. Webb.]

The minister said that it would not be fair to borrow from the $55 million the day before the end of the fiscal year. However, as I understand it we have already spent $14 million and at least that amount of money would be a legitimate charge against the $55 million that we have already O.K.'d. I think these are matters which should be given serious consideration. There are other matters in connection with the unemployment insurance fund that I should like to discuss, and will discuss on this estimate; but I think we should know exactly what we are doing in relation to this extension of the power to raise another $55 million. If the $55 million was raised last year, I think we should know about this. If the $14 million was spent, I think a good question to ask is why we have not raised at least $15 million out of the borrowing power we already have. It seems very foolish to me to go within a week of a deadline before doing something to put more money into the fund. Knowing something about the operation of the fund and the payments from local offices, I know it is sometimes difficult to get the money from the bank to the local unemployment insurance office. I would therefore think that if there was no money at all in the fund at the end of March we should now be prepared to pass an appropriation bill for this statutory item of $1 so that the fund may be replenished—not a week from now but tonight or tomorrow morning at the latest. I think the minister owes us a complete explanation of just what are the borrowing requirements; how much he is prepared to borrow; how soon he has to borrow it, and how much money is still in the revolving fund with which the unemployment insurance offices operate.

Mr. MacEachen: Mr. Chairman, I shall be glad to try and deal with some of the questions that have been raised by my hon. friend from Timiskaming. However, before doing so I should like to deal with the suggestion that there has been any concealment as to the state of the unemployment insurance fund. The hon. member for Winnipeg South Centre, in the characteristic fashion to which we have become accustomed in this house, has suggested that there has been some deliberate effort to conceal the fact that this sum of money was required to replenish the fund. This, of course, is quite untrue. The supplementary estimates were tabled in the House of Commons on March 6. I wonder whether the hon. gentleman read the supplementary estimates.

Mr. Churchill: Oh yes, I read them.

Mr. MacEachen: I wonder whether the hon. member for Ontario read the supplementary estimate—

Mr. Starr: Yes. You are not the only one who is a member of the house.

Mr. MacEachen: —asking for this amount of money. If he did read this estimate, when did he expect that these sums would be required to replenish the fund? In July or August of this year? Or does he remember from his years of experience as a minister that the months when replenishment is required are April and May? If he read the supplementary estimates he must have realized at once that the fund was in need of replenishment for the months of April and May of this year. That is obvious.

Mr. Starr: May I ask the minister a question. Why did the minister and the government allow these supplementary estimates to stand for 25 days if the matter was urgent?

Mr. MacEachen: I think it was reasonable for me to expect that the supplementary estimates would be dealt with in this session, as they have been in former sessions; if they had been dealt with in this session as in former sessions this would have been passed by now, as my hon. friend knows.

Mr. Winkler: May I ask a question. What does the minister mean by "this session?"

Mr. MacEachen: My hon. friend need only refer to an elementary text to get a definition of the word "session". It is obvious that if the hon. member for Winnipeg South Centre and the hon. member for Ontario had read the supplementary estimates they would have known that there was a requirement for a replenishment of the fund, and that the government was coming to the house for funds in the course of these supplementary estimates. The hon. member for Winnipeg North Centre had no difficulty in framing a question yesterday about this fund. His question was answered accurately. Every part of the answer was fully consistent one with another, and there was no effort to conceal any matter whatsoever. If hon. gentlemen opposite had wanted to find out about the fund, all they had to do was pick up a telephone any day of the week and call the unemployment insurance commission. Any of the commissioners would immediately have given my hon. friends the most recent available data on the fund.

Mr. Starr: It would have been 30 days old.

Mr. MacEachen: Mr. Chairman, I wonder whether the hon. member for Winnipeg South Centre and the hon. member for Ontario have read the budget papers. If they have they would have realized—the papers were tabled some weeks ago—that the state of the fund is as I stated tonight in my statement. They would have realized that from reading the budget papers some weeks ago. We on the government side expect the opposition to do its homework and become informed from the information made available through documents tabled in the House of Commons.

Mr. Winkler: May I ask the minister a question. Did the minister understand, as we understood, that even if we had done that the passage of the supplementary estimates before last Thursday night was not necessary?

Mr. Pickersgill: What does that question mean?

Mr. MacEachen: I do not understand the question.

Mr. Winkler: Did the minister understand, as we did, that the passage of the estimates by last Thursday night before the recess was not necessary?

Mr. MacEachen: It was always evident to me that this supplementary estimate would have to be dealt with in order to replenish the fund for the months of April and May, and I suggest that any hon. member who had taken the trouble to read these supplementary estimates and the budget papers would have reached the same conclusion. That is why, when I was asked this question I answered it as a matter of course, and I was surprised that anyone else in the house should think that this information was novel or new in any way because it had already been made available in documents tabled in the house.

Mr. Knowles: Mr. Chairman, may I ask another question so as to bring us up to date. Does the fund need to borrow money this week under the terms of this vote? In other words, is it now necessary that this vote be passed this week?

Mr. MacEachen: Yes, Mr. Chairman, it is necessary.

Mr. Winkler: That is what I wanted to know.

Mr. MacEachen: The hon. member for Timiskaming raised a very important question with respect to the $55 million which has been authorized in the past fiscal year. It will be recalled that last April and May the commisison borrowed $35 million on the strength of Governor General's warrants. Later on these Governor General's warrants were validated by the house through the supplementary estimates to which the President of the Privy Council made reference. Under that authority the commission received a total of $35 million. It borrowed the money in April and May and it was repaid in June and July.

It has been suggested that the commission ought to have borrowed money on the strength of the remaining $20 million authorized by the estimate passed last year. I thought that this would be entirely inappropriate; that a drawing should be made on the last fiscal year appropriations, for an expenditure in the current fiscal year seemed to me to be inappropriate. Who would be more inclined to criticize the government for taking this course of action when at the same moment supplementary estimates were before the house for consideration than hon. gentlemen opposite?

Mr. Martin (Timmins): Would the minister permit a question?

Mr. Thomas: Mr. Chairman, there seems to be some confusion concerning the borrowing powers of the unemployment insurance commission.

Mr. MacEachen: Mr. Chairman, have I still the floor?

The Chairman: The impression of the Chair was that the minister had concluded his statement.

Mr. MacEachen: No.

Mr. Pickersgill: He was being interrupted.

Mr. MacEachen: I yielded the floor to a question from the hon. member for Timmins.

Mr. Martin (Timmins): As I understood the minister, $35 million out of the $55 million authorized last year had already been borrowed. So that left $20 million. What is the difference between borrowing the first $35 million and borrowing the second $20 million?

Mr. MacEachen: The initial $35 million was borrowed for an expenditure in the fiscal year which ended yesterday. If an additional sum had been borrowed under that authority it would be for an expenditure to be made in the current fiscal year, which I thought would have been quite inappropriate, especially as this committee is examining at this very moment the supplementary estimate which would give the appropriate authority. Therefore I refused to take that course of action and relied on this supplementary estimate to give the proper authority. That is the situation with respect to that particular matter, and I think in that situation we acted properly.

Mr. Thomas: Another question in that regard, Mr. Chairman, if the minister will permit, is this. Are we to understand from this discussion that the House of Commons should hold a midnight session on March 31 each year in order to fix up the powers of the unemployment insurance commission to borrow? We need the money today. We could not borrow it yesterday. Therefore it seems to me that midnight on March 31 would be a suitable time to hold a special session each year in order to vote this authority.

Mr. MacEachen: Mr. Chairman, the suggestion to sit tonight to deal with this particular item was made by the hon. member for Winnipeg North Centre. The government was delighted to accede to the suggestion because it was evident to us that this item had to be passed.

Mr. MacInnis: Will the minister permit a question?

Mr. MacEachen: I do not mind answering questions, but I should like to complete my statement, such as it is. Then, if hon. members wish to ask questions I will be glad to answer them.

I believe the hon. member for Timmins asked about the fact that the fund this year had dropped $14 million. At the beginning of the fiscal year there was a balance in the fund of some $9 million. The estimated debit balance at the end of this fiscal year is something like $4 million, so that the drop in the fund this year totals some $14 million. We are still in a position, despite the balance, as I have stated in the fund, that we will be able to make payments because of certain cheques that have been issued that have not yet been drawn down. This was rather a mystery to me, but it was cleared up in consultation with the commission.

Hon. gentlemen opposite suggested in their statements that the use of the word "today" in my answer of yesterday indicated that I had just learned at that moment of the condition of the fund. The fact is I used that expression because I had been talking to the commissioner and the director of the insurance branch just before I came into the house for orders of the day. It was most natural that I would use that expression because I had received recent information from those gentlemen in my office.

I can assure the hon. member for Winnipeg North Centre that, given the passage of this supplementary item and royal assent this week, I trust by tomorrow or Friday, of this particular item, there will be sufficient funds for the payment of benefits from the treasury officers of the commission on Monday of next week. In the light of that fact, potential recipients need not be concerned about the possibility of not receiving benefits.

Last session there was some discussion concerning the Gill committee report. The intention of the government, as stated by the Prime Minister, given parliamentary time is to proceed with action this session on the Gill

report, undertaking the fundamental changes that must be made if we are to overcome the difficulties that we are facing in this particular situation. It is a fact that the condition of the fund reflects the improved employment situation. I have never said that the problem of unemployment in Canada was solved. I have stated that the employment situation has improved. The payments from the fund and the number of claimants on the fund have both decreased quite considerably and have improved the financial condition of the fund. The improved employment situation is not only reflected in the condition of the fund but also in the employment statistics released by the dominion bureau of statistics. There has been no effort, Mr. Chairman, certainly not on the part of the Minister of Labour nor to my knowledge on the part of the commission, to decrease the financial obligations on the fund by a stepped up effort to disqualify any applicants. No directive has been sent out by the government to the commission on this point; certainly no change has been made and no instructions have been issued to the commission.

I believe all hon. members have expressed understandable concern about individual persons who have been disqualified. I have attempted to examine each of these cases, but I would remind hon. gentlemen that the commission is responsible for the administration of the insurance act. There is a procedure, beginning with a board of referees and going up to an umpire, by which these claims can be adjudicated. It is not possible for the Minister of Labour to adjudicate personally any of these claims or the possible findings of the commission or the ultimate decision of the umpire. I would be glad on the basis of the views that have been expressed tonight to discuss the matter with the commissioners with a view to at least making the situation more understandable to the individuals who, because of regulations, are disqualified.

The hon. member for Cape Breton South has referred to a difficult situation that has arisen in Cape Breton. It is a very complicated situation involving several unions; one on strike, one refusing to cross a picket line and another with its members denied work because of the actions of the other two unions. The commission is investigating this situation to determine the eligibility for benefits of each of these groups, who are eligible and who are not.

Mr. MacInnis: I hope the minister is not including in his reference to investigation of the qualifications of these different groups, the large number of mine workers. Has the commission not already ruled on the eligibility of a claimant, namely that he is not required to take employment at a strikebound plant? Does this ruling not qualify the railway men as persons who are entitled to unemployment benefits?

While I am on my feet I should like to put now to the minister a question that arose as a result of a remark he made. The minister stated flatly that the sitting tonight was at the request of the hon. member for Winnipeg North Centre. It may be that the hon. member brought this question up at the opening of today's sitting, but is the minister not aware of the fact that the Acting Prime Minister, in accepting the proposal of the hon. member for Winnipeg North Centre, said he had every intention of asking the house to sit tonight not from eight to ten but from seven to eleven? Is there any liaison between the Acting Prime Minister and the Minister of Labour on this very important issue?

Mr. MacEachen: I think the answer to that is quite clear. The Acting Prime Minister suggested extended sittings, and the hon. member for Winnipeg North Centre suggested that the extended sittings deal with this particular matter. This is my understanding.

I do not want to adjudicate on the qualifications of workers for benefits in Cape Breton, but it is clear to me that the mine workers will be eligible, those directly involved in the work stoppage will not be eligible for benefits, and the other category is being investigated.

Mr. Howard: I should like to pose a question to the minister and my question is related to the foresight of the hon. member for Winnipeg North Centre today in suggesting that this particular item be dealt with this evening. None of us, I expect, can forecast with any certainty that these supplementaries will be passed by any particular date. On the basis of that, and to guarantee that there will be sufficient money in the unemployment insurance fund to pay the claimants, would the minister, in consultation with his colleagues, be prepared to introduce a special appropriation bill covering the particular item before us so that we can guarantee that the appropriation bill will be passed and the money available, even though we might not deal with the other estimates?

Mr. MacEachen: I can assure my hon. friend that whatever procedure is necessary to ensure the payment of benefits, that will be followed by the government.

Mr. Bell: Mr. Chairman, would the minister like to take this opportunity to answer the charges made on national television on Sunday in respect of the situation at Bell Island? The national employment office was accused

quite openly of lack of co-operation in the labour situation there. If the minister is not aware of what took place on the program perhaps he would investigate the matter and it can be brought up later. If these charges are true I think they cast a very serious reflection on the national employment office, because of their lack of co-operation. I am not speaking about the employment situation there but simply the refusal of the officers to co-operate.

Mr. MacEachen: I thank my hon. friend for bringing the matter to my attention. I had not been aware that a complaint had been made and I will certainly investigate it because it is my desire that the national employment service should co-operate constructively in the situation.

Mr. Bell: I am sure that some of the minister's very loyal colleagues and friends from Newfoundland will be able to bring it to his attention. As there is a minute or two left I should like to make one comment. When the government sets up a timetable, as they must do, to get certain matters through, including this item, before the Easter recess they had better be careful that the Minister of Finance does not come along and upset the applecart, because he is the real culprit in this whole business. He is the reason we are sitting here.

Mr. Langlois: I should like to ask one short question relating to applicants for unemployment insurance. Is it a fact that the officers in some of the local unemployment insurance offices are not there to help applicants receive unemployment insurance? I have been told that by an employer and also by an unemployment insurance officer, that they are clearly and specifically not there to help men receive unemployment insurance. What is the man going to do who does not know how to read or write? Does the minister know anything about this situation and, if not, will he inquire from the commission?

Mr. MacEachen: I will be glad to inquire on this point.

The Chairman: Shall the resolution carry?

Mr. Peters: Mr. Chairman, I want to raise a couple of matters and one of them does not involve any action that would displease the house. If the situation is as it was originally portrayed, then I do think that the government on behalf of the commission should be prepared to move an appropriation for this particular item.

With regard to the matter raised by the hon. member for Timmins, I am sure that members of the minister's own party will agree it is a fact that letters and directives have been sent out from the commission indicating that vigilance should be exercised with regard to people abusing the fund, and that in many cases this has been interpreted by local officials to mean a closer scrutiny for the purpose of getting rid of people already drawing benefits. The minister has said that these matters can be taken up through various channels. I have been a member of several boards of referees and I can assure the minister there is not a chance in hell of winning a case. I sat on one where the officials of the department were talking about married women who were pregnant. The girl in question certainly was not pregnant, and this was not a factor at all. Yet all the references that were being used had to do with married women who were going to have babies and therefore were unable to work. This was not the case at all, but these were the references that were being used. There is no chance of winning one of these cases.

I do not think there is any point in taking them to a board of referees because the operation has been very unsatisfactory, nor do I think there is much point in taking them to an umpire. On the board of referees there is a representative who is impartial, a representative of labour and a representative of management and so far as the board in North Bay is concerned I defy anybody to be able to say from sitting there and listening for an hour or so who represents what or whom. There is complete neutrality in representation.

Another problem has arisen which relates to some extent to the point raised by the hon. member for Saint John-Albert with regard to the television show the other day. The situation is that people who are no longer drawing benefits receive no assistance from the placement service of the unemployment insurance offices. This charge is being made in my area. I have investigated some of the cases and I think some of them have merit and some do not. But the fact is that young people who are not eligible for benefits receive very little assistance from the placement service, and I believe this situation is general across the country.

I would urge the minister to call together the industrial relations committee and submit the Unemployment Insurance Act to it for revision. There are abuses, and the fact that we have to borrow money for the fund and have done so on other occasions is an indication that the fund is not in a healthy state. This is not good enough for people who have paid their contributions, and when they now face the necessity of drawing benefits find that they have to wait on the whim of parliament to pass a supplementary estimate that will provide a loan to replenish the fund.

We have had the unemployment insurance commission before us in recent years and I believe that the modifications that were made to the fund were advantageous. I think the minister has an obligation now to refer the whole unemployment insurance problem to the industrial relations committee again, and I strongly urge that he call the committee immediately and refer the whole problem to it.

Item agreed to.

50e. Administration of the Unemployment Insurance Act—To extend the purposes of vote 50 of the main estimates for 1963-64 to include a grant of $1,500 to the Canadian association for adult education to assist in defraying the expenses of the national seminar on guidance and counselling held in Canada in November, 1963 and to provide a further amount of $720,000.

Mr. Howard: This seems to be an inordinately large amount of money. Surely they cannot have underestimated their expenditures to this extent, especially when almost half of the total appropriation, $350,000, is for office stationery, supplies and equipment. Could we have an explanation from the minister? Does this involve the national registration program, or just what is involved here?

Mr. MacEachen: Mr. Chairman, the principal cause of this supplementary is to pay for expenditures in connection with the registration program, including office space in various parts of the country, equipment and so on. I can give the house a breakdown in a moment.

Mr. Thomas: On a point of order, Mr. Chairman, did I understand you to call item L27e on which we have spent the evening? Is that passed or is it not?

The Chairman: It is passed. Shall item 50e carry?

Mr. Starr: No. I think the minister is looking up some information to give the hon. member for Skeena who asked the question.

Mr. MacEachen: Mr. Chairman—

Mr. Howard: Before the minister proceeds I wonder whether I might say this. There are some other remarks and explorations we would like to make into this field of numerical designation for employees, and so on. I wonder if the appropriate thing at the moment would be to call it ten o'clock, and approach this tomorrow.

Mr. Favreau: Mr. Chairman, in order to satisfy the very legitimate curiosity of the hon. member, and of other hon. members, may I suggest that you do not see the clock for a few minutes, so as to allow appropriate questions to be put on this item.

Mr. Howard: You recall, Mr. Chairman, we specifically sat from eight to ten o'clock this evening for the sole purpose of dealing with the unemployment insurance fund, and I do not think a few minutes this evening or tomorrow will make that much difference. Tomorrow we would approach it with a fresher mind.

Progress reported.

Resolutions adopted in committee of supply this day reported and concurred in.

Mr. Deputy Speaker: Order. It being ten o'clock this house stands adjourned until tomorrow afternoon at 2.30.

It being four minutes after ten o'clock the house adjourned, without question put.

[The following items were passed in committee of supply this day]:

DEPARTMENT OF AGRICULTURE

Special—

172e. Estimated amount required to recoup the agricultural commodities stabilization account to cover the net operating loss of the agricultural stabilization board, including loss resulting from revaluation of inventory, as at March 31, 1964, $122,235,000.

173e. Estimated amount required to recoup the agricultural products board account to cover the net operating loss recorded in the account as at March 31, 1964, $1,018,400.

174e. Estimated amount required to provide for the operating loss of the Farm Credit Corporation for the fiscal year ending March 31, 1964, $1,377,000.

175e. Estimated amount required to recoup the prairie farm emergency fund to cover the net operating loss for the fiscal year ending March 31, 1964, $1,940,000.

DEPARTMENT OF LABOUR

Loans, investments and advances—

B—Unemployment insurance commission—

L27e. To authorize the Minister of Finance, notwithstanding the Unemployment Insurance Act, to credit, on such terms and conditions as the governor in council may determine, to the unemployment insurance fund such sums as may from time to time be required by the said fund; the aggregate of the sums outstanding at any one time not to exceed $55,000,000—To extend the purposes of vote L27a of the estimates for 1963-64 to cover requirements in the fiscal year 1964-65, $1.

A—Department—

General administration—

1e. Departmental administration, $14,000.

5e. Economics and research branch, $5,500.

20e. Industrial relations activities, $10,000.

22e. Administration of the Maritime Transportation Unions Trustees Act, $135,000.

25e. Civilian rehabilitation branch administration, $143,000.

27e. To extend from January 31, 1964 to March 31, 1964 the termination date in vote 27d of the supplementary estimates (D), 1963-64 of the period during which each full time worker 45 years of age or over may be engaged by an employer, $1.

Supply—Items Passed

Government employees compensation—

45e. Administration of the Government Employees Compensation Act, $5,000.

48e. To deem members of the board of trustees of the maritime transportation unions and personnel appointed as provided in section 5 of the Maritime Transportation Unions Trustees Act to be employees in the service of Her Majesty for purposes of the Government Employees Compensation Act, $1.

49e. To deem any assistant light-keeper who is or was appointed on contract by a principal light-keeper to be or to have become, upon such appointment, an employee within the meaning of the Government Employees Compensation Act for the purpose of that act, and any amount received out of the consolidated revenue fund by or in respect of such employee, because of an accident arising out of or in the course of his employment, to have been received as compensation under that act, $1.

HOUSE OF COMMONS

Thursday, April 2, 1964

The house met at 2.30 p.m.

CRIMINAL CODE

COMMUTATION OF DEATH SENTENCE IF CONVICTION NOT UNANIMOUSLY CONFIRMED ON APPEAL

Mr. Robert Temple (Hastings South) moved for leave to introduce Bill No. C-85, to amend the Criminal Code (commutation of death sentence).

Some hon. Members: Explain.

Mr. Temple: Mr. Speaker, the purpose of this bill is to provide that in the case of an appeal from a death sentence to the court of appeal, the death sentence shall be commuted to life imprisonment where the court has not been unanimous in confirming the conviction.

Motion agreed to and bill read the first time.

TRANSPORT

RAILWAY BRANCH LINES—GOVERNMENT POLICY RESPECTING ABANDONMENT

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I want to say to the Minister of Transport that I am sorry I did not give him notice of this question, but it has to do with an article appearing in the western press entitled—

Mr. Pickersgill: I am afraid I did not catch the name of the periodical.

Mr. Diefenbaker: —"Pickersgill to outline rail abandonment stand". Mr. Thatcher announced this the other evening in Saskatchewan. I would like the minister to confirm or deny that the position of the government is that there will be no abandonment allowed either to the C.N.R. or the C.P.R. until the federal government has fully examined all the circumstances and made a thorough study of all the problems involved.

Hon. J. W. Pickersgill (Minister of Transport): Of course, Mr. Speaker, the right hon. gentleman, being an old and experienced member of the house, knows perfectly well that his question is totally out of order because he is asking me to confirm or deny a newspaper report, which our standing orders forbid us to do. But since the right hon. gentleman has given me a very welcome opportunity to say something about this subject, I am very happy to make a brief statement about it.

My statement is this. The policy of this government in this matter is well known. It was iterated and reiterated a dozen times by my predecessor at the last session of parliament, and it is a policy that was instituted by the right hon. gentleman's government, which he seems to have forgotten. It is that the railways were invited to indicate to the board of transport commissioners all the lines that they were even considering abandoning, on the understanding that no abandonments would take place and no hearings would be held until the new legislation had been disposed of.

That, we thought, was one of the good things done by the previous administration. We still think this is a good idea, and I am happy to say that was the position the railways agreed to take. I do not know that we could have imposed it on the railways, or at least on one of them, but they accepted it.

My hon. friend the President of the Privy Council gave notice in the last session of parliament of a resolution to precede a bill which was set out in detail in *Votes and Proceedings*, I think on December 6, and it is the intention of the government to recommend to parliament, if the house approves the appropriate resolution, a bill to set up a railway branch line rationalization authority which, if parliament also approves, would be under the jurisdiction of my hon. friend from Calgary South, the Minister of Agriculture, who naturally would have at heart the interests of the most important of all users of the railways, namely the wheat farmers.

It was not by accident that my right hon. friend the Prime Minister chose the Minister of Agriculture for this responsibility, because he felt that this would be a tangible way of indicating to the farmers of western Canada that the interests of the producers would be put first and the balance sheets of the railways, as I said the other day, would have to take second place in this matter.

That is the policy of the government. I think it is a wise and sound policy. I think it is wiser and sounder because of the great

success which the wheat board has had under this government in selling wheat all over the world. I only hope that some day before this session is over we will be allowed to get on with this legislation and get it through the house.

Mr. Diefenbaker: I want to thank the hon. gentleman for his terse reply, particularly his statement that in the policy announced he intends to follow in the footsteps of the government of which I had the honour to be the head. I am also glad to learn of the circumstances under which the Minister of Agriculture gets his appointments. I thought it was because the rest of the Liberal party had been abandoned, leaving him as the only qualified candidate.

Mr. Pickersgill: Mr. Speaker, I think the right hon. gentleman misunderstood one thing I said. I never suggested that we were going to follow in his footsteps, because his administration's footsteps got nowhere. We do expect to get somewhere.

Mr. Donald MacInnis (Cape Breton South): A supplementary question. The Minister of Transport has indicated that it was no accident that the Prime Minister had chosen the Minister of Agriculture for this responsibility. Is this in any way to be interpreted as meaning that the other responsibilities which were placed on the Minister of Agriculture were accidental?

Mr. Pickersgill: No, sir. It is an indication that my right hon. friend the Prime Minister thought that the Minister of Agriculture, being a farmer living in western Canada and representing a western constituency, could do this job better than the hon. member for Bonavista-Twillingate.

Mr. Frank Howard (Skeena): Could I ask a supplementary question. Is it not a fact that the Minister of Agriculture is the only Liberal member from either Alberta or Saskatchewan?

Mr. Pickersgill: That situation will be changed very shortly, I hope.

Mr. Diefenbaker: Mr. Speaker, the Minister of Agriculture now knows that he was appointed not because the rest of the Liberals had been abandoned but because of his qualifications. I now ask the hon. gentleman, in view of his last statement, is he going to provide for early by-elections in Saskatoon and also in Nipissing?

Mr. Pickersgill: I am sure that in this, as in other respects, we will be able to move a little faster than the right hon. gentleman did.

[Mr. Pickersgill.]

COMBINES

MEAT PACKING—REPORTED PURCHASE OF BURNS AND COMPANY

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, the other day I directed a question to the Minister of Justice with respect to the fact that an anonymous group were seeking to buy out the Burns meat packing company. It has now been confirmed that the Toronto group in question has succeeded in purchasing the company, and I ask the minister whether this matter has been looked into by the restrictive trade practices branch of his department to see whether there is any indication that the combines legislation is being contravened.

Mr. Speaker: It seems to me this question was asked two or three weeks ago, but if the minister wants to answer that is fine.

Mr. Douglas: It could hardly be asked two or three weeks ago since the deal was completed only yesterday.

Mr. Speaker: I regret to have to take exception, but there have been rumours about this deal for about a month and a half.

Mr. Douglas: On a point of order—and I do not intend to enter into a debate with the Chair—I pointed out that there were rumours and I asked the minister about them. He stated he would take the question as notice. I now ask him to answer it, in view of the fact that the rumours have been confirmed and the takeover has been completed. I do not see why I should have to argue with the Chair on a simple question which the minister should be prepared to answer.

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, the director of investigation and research presently has that matter under consideration.

Mr. Douglas: As a supplementary question, may I ask whether any action is being taken by the minister's department with reference to the last investigation into the meat packing industry, which was conducted by the restrictive trade practices branch?

Mr. Favreau: I think, Mr. Speaker, this would be a question for the order paper.

INQUIRY OF THE MINISTRY

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs.

Does the minister intend to go to Quebec city to assist the Prime Minister of Canada who is wrecking the federal-provincial conference?

[*Text*]

Mr. Speaker: Order. This question is out of order.

AGRICULTURE

SUBSIDY ON GRAIN TRANSPORTED BY TRUCK

On the orders of the day:

[*Translation*]

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, I should like to direct a question to the Minister of Forestry, who is responsible for the implementation of certain policies concerning feed grain.

Could the minister tell us when he intends to announce his policy as regards subsidies for the transportation of feed grain by trucks, in the province of Quebec, something which is now being done in Ontario?

Hon. Maurice Sauve (Minister of Forestry): Mr. Speaker, a meeting is to be held within a few weeks, and the people chiefly concerned will be asked to attend.

Mr. Clement Vincent (Nicolet-Yamaska): Mr. Speaker, may I ask a supplementary question?

Could the minister give us the names of the main people who will be invited to that meeting?

Mr. Sauve: Mr. Speaker, until those people have been personally invited, I think it would be better for me not to answer that question.

[*Text*]

SOYBEANS—REPRESENTATIONS REQUESTING SUPPORT PRICE

On the orders of the day:

Mr. H. W. Danforth (Kent, Ont.): I should like to direct a question to the Secretary of State for External Affairs. Knowing of the minister's stand as to encouragement of the soybean growers of Ontario, can they count on his support of their representations to the government for a floor price of $2.50 per bushel?

Mr. Speaker: Well, unless the Acting Prime Minister wishes to answer—

Hon. Paul Martin (Acting Prime Minister): I am sure the hon. gentleman knows of my long interest in this subject, and that answers the question.

UNEMPLOYMENT INSURANCE

REPORTED NEW PRACTICE OF SENDING CHEQUES BY MAIL

On the orders of the day:

Mr. J. E. Pascoe (Moose Jaw-Lake Centre): Mr. Speaker, I wish to direct a question to the Minister of Labour based on a newspaper report from my constituency that unemployment insurance cheques are now being sent to jobless men and women by mail, rather than having the recipients call for them. Has this new policy been adopted, as the newspaper report puts it, to "avoid line-ups at unemployment insurance offices"?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, there has been a growing practice of distributing benefits by mail, and the commission has found this to be very satisfactory.

GRAIN

PRINCE RUPERT, B.C.—INCREASE IN ELEVATOR CAPACITY

On the orders of the day:

Mr. Frank Howard (Skeena): Could I direct a question to the Minister of Agriculture and ask him, before he becomes overburdened with new duties or completely unburdened of his present ones, whether he has yet made a decision about the grain elevator at Prince Rupert.

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, we are still considering it.

FISHERIES

PROPOSED USE OF TRAWLS IN CATCHING SEALS

On the orders of the day:

Mr. J. R. Tucker (Trinity-Conception): Mr. Speaker, may I direct a question to the Minister of Fisheries, or in his absence to the Acting Minister of Fisheries. Has the minister's attention been brought to the fact that trawls with hooks, baited with herring, are proposed to be used in the catching of seals in the gulf of St. Lawrence near the Magdalen islands? If not, in view of the cruelty of this method would the minister have an immediate investigation made?

Hon. J. Watson MacNaught (Acting Minister of Fisheries): Mr. Speaker, I will take the question as notice and try to bring in an answer tomorrow.

INDUSTRY

TAXES IN OTHER COUNTRIES ON PRODUCTION MACHINERY

On the orders of the day:

Mr. Fred F. Stenson (Peterborough): Mr. Speaker, I should like to direct my question

to the Minister of Industry. Is there any country in the world other than Canada that taxes production machinery?

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, I have not got all the taxation laws of all the 142 countries of the world at my finger tips, so I will take the question as notice.

AUTOMOBILE PARTS—POSSIBLE U.S. REPRISALS AGAINST CANADIAN POLICY

On the orders of the day:

[*Translation*]

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, I should like to direct a question to the Minister of Industry and Minister of Defence Production. Following a report to the effect that United States are planning to use reprisals in protest against the Canadian government decision to give assistance to the automotive industry, can the minister tell us what stage has been reached in the implementation of the formula he has devised to promote the automotive industry development in Canada?

In addition, can he tell the house what concrete results have been derived from this policy up to this time?

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, needless to say that I cannot go into details at this stage. However, I can say that results to date indicate great success. However, I do not think that the time is right to give a complete report.

Mr. Lessard (Lake St. John): Mr. Speaker, I wish to ask a supplementary question. In view of the great success indicated by the minister, can he tell the house if he is considering other similar projects which would be implemented in eastern Canada with as much success?

Mr. Drury: Mr. Speaker, successful results are obtained of course in areas where the automobile industry has settled in Canada.

As far as eastern Canada is concerned, the industry which settled there seems to be meeting with success also.

[*Text*]

SHIPPING

EFFECT OF LOW WATER LEVEL IN LAKE ONTARIO AND ST. LAWRENCE RIVER

On the orders of the day:

Mr. John R. Matheson (Leeds): Mr. Speaker, may I ask whether the Minister of Northern Affairs and National Resources would care to make a statement respecting the low water levels now prevailing in lake Ontario and the upper St. Lawrence river.

[Mr. Stenson.]

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, this matter has been the subject of a number of questions from members of the house in recent weeks. I might say at once that the great lakes system is one of the more complex drainage systems in all the world, and because our concern is very great I would much prefer to take this question as notice and make a full statement either tomorrow or Monday.

Mr. Thomas M. Bell (Saint John-Albert): A supplementary question, Mr. Speaker. When the minister is investigating this matter will he also see to it that when ship diversions take place because of low water in the St. Lawrence, such diversions will go to Halifax and Saint John rather than New York as was the case last year?

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I should like to ask the minister if consideration is being given to the development of the Grand canal system to cope with the continuing problem that has been raised by the hon. member for Leeds.

Mr. Laing: We are aware of the proposal in respect of the Grand canal.

NEWFOUNDLAND—USE OF ICEBREAKER TO ASSIST SEALING SHIP

On the orders of the day:

Mr. J. R. Tucker (Trinity-Conception): I should like to direct a question to the Minister of Transport and ask him if he received a request to send an icebreaker to the assistance of the sealing ship *Lady Johnson* off the east coast of Newfoundland. If so, what success did the icebreaker have in freeing the ship?

Mr. Speaker: May I suggest that unless there is special urgency to this question, it should be put on the order paper.

Mr. Tucker: The urgency is that there is a crew of 18 on that ship, and in view of the danger I think the question is important.

Hon. J. W. Pickersgill (Minister of Transport): I can say now that the mission was successful.

ADMINISTRATION OF JUSTICE

CONSULTATION WITH PROVINCES BEFORE APPOINTMENT OF DIVORCE JUDGE

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Minister of Justice. Could he tell the house whether the Quebec and Newfoundland provincial authorities will

be consulted before the federal government proceeds with the appointment to the exchequer court of a judge whose duties will be to hear divorce cases from these two provinces?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, I do not think this question is of great urgency. Anyhow, it should be put personnally to the minister rather than in the house.

[*Text*]

NATIONAL DEFENCE

REQUEST THAT OFFICERS' COMMISSIONS BE IN BOTH LANGUAGES

On the orders of the day:

[*Translation*]

Hon. Lucien Cardin (Associate Minister of National Defence): Mr. Speaker, last Tuesday the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon) asked me a question which implied that officers' commissions were written in English only. I am pleased to inform my hon. friend that officers' commissions have always been, and still are, obtainable in both languages. The officer in question can select either language.

I should also inform my hon. friend that a notice was sent to all cadet officers reminding them that they may obtain their commissions in the language of their choice.

[*Text*]

ARMOURY GUARDS—REQUEST FOR VETERANS PREFERENCE IN APPOINTMENT

On the orders of the day:

Hon. Lucien Cardin (Associate Minister of National Defence): On Monday last the hon. member for Timiskaming inquired if official status had been given to the people hired as guards for armouries. He also asked if the veterans preference applied to those chosen for guard duty.

In reply to the first part of his question, I can inform him that these men have been hired as watchmen. In so far as the veterans preference is concerned, these men are employed on a temporary basis under the authority of section 24 of the Civil Service Act, and while the majority are entitled to statutory preference for war service, in view of the temporary nature of the employment this was not one of the conditions imposed.

I might add that it has now been determined that watchmen will be required for an indefinite period and the establishment of civil service classified positions has been requested. When authority has been received, normal recruiting action by the civil service commission will be undertaken to appoint, on a regular basis, qualified applicants for these positions.

LABOUR CONDITIONS

REVIEW OF FORMULA TO DETERMINE DESIGNATED AREAS

On the orders of the day:

[*Translation*]

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, I wish to direct a question to the Minister of Industry and Minister of Defence Production, and I hope that this time I will receive a more complete answer.

Did the minister revise the criteria used to designate the depressed areas of this country, and may we expect to have soon a list of the new areas to be designated?

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, I think I have already announced that a revision will be made next summer, when new areas will be announced, if any.

Mr. Lessard (Lake St. John): Mr. Speaker, I should like to ask a supplementary question. In view of certain observations that have been made, has there been a change in the criteria used to determine these areas?

Mr. Drury: No, Mr. Speaker.

Mr. Raymond Langlois (Megantic): Mr. Speaker, I should like to ask a supplementary question. Can the minister give the house the assurance that there will be consultation with the provinces prior to the setting up of new criteria?

Mr. Drury: Yes, Mr. Speaker.

[*Text*]

SUPPLY

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

DEPARTMENT OF EXTERNAL AFFAIRS

1e. Department administration including the expenses of the North Atlantic Treaty Organization ministerial meeting in Canada, May, 1963, $56,000.

Mr. Douglas: When we were discussing this item at six o'clock yesterday I was in the process of making a few remarks on two aspects of the minister's statement. The first had to do with NATO, and I was asking the minister if he would, in the course of this discussion, tell the committee something about the proposal to create a NATO multilateral nuclear force. I think this committee and the people of Canada are entitled to know what proposals have been made in this regard and whether Canada has received any invitation to participate in such a force. I think too we should like some assurance from the government that Canada will not participate until this matter has been fully discussed in the House of Commons.

There are many Canadians who support NATO in its role of seeking to deter military aggression in Europe but who, nevertheless, would be strongly opposed to a multinational nuclear force being set up by that organization. I think it has been commonly known that for some years West Germany has been exceedingly anxious to become an independent nuclear power. There are many of us who feel that the setting up of a multinational nuclear force would simply be using the back door in order to accomplish this end, and I should certainly like to have some assurance from the minister that no such step will be taken by Canada and that if Canada is approached in this regard the matter will be thoroughly discussed in this house. We have already had some experience of the government entering into treaties for the acquisition of nuclear arms without referring those treaties to parliament. We certainly do not want to wake up one morning to find that a multinational nuclear force has been established, that Canada is a member of such a force, and that this house has had no voice in reaching that decision.

The second matter about which I was desirous of making some comment is the part Canada is playing in the peace keeping assignment on the island of Cyprus. I think we all recognize that this is a role which Canada is ideally fitted to play. We have neither the wealth nor the technological know-how to be a nuclear power, but we have a part to play; and the most effective role we can perform is that of contributing to peace keeping forces in various parts of the world under the direct control and direction of the United Nations.

While I agree with all that has been said about the inequity of Canada having to bear the entire cost, nevertheless I believe that whatever the expenditures we are making in this regard, they will be much more worth while than many of the expenditures we have made in the past for military hardware which became obsolete before it was produced. But as to the cost of these operations, I certainly think the cost of any peace keeping operation ought to be borne by all the nations which belong to the United Nations.

I think most Canadians are wholeheartedly in support of Canada making this kind of contribution to the peace of the world. However we should recognize two things; first, that in a delicate situation such as this the Secretary of State for External Affairs finds himself in a difficult position. He is dealing with the United Nations, and if the communications which are sent to him are secret and confidential he has to recognize that fact. I think we must also recognize that when we turn forces over to the United Nations they come under United Nations command, and that to some extent we have lost our national sovereignty in that respect. On the other hand I think we, as members of parliament, ought to say to the Secretary of State for External Affairs that we hold him accountable and responsible for seeing to it that the troops which Canada contributes to United Nations peace keeping operations are fully protected and are given every opportunity to carry out effectively the task which has been assigned to them.

The second thing which has to be recognized is that the secretary general of the United Nations is in an equally difficult position. He has, in Cyprus particularly, a most delicate mission to perform. This is not an instance in which United Nations forces are dealing merely with aggression. In that case the operation, though it might be a serious one, would be comparatively simple; where an act of aggression has been committed the responsibility of the United Nations is to stop the aggressor and protect the victim nation. But in Cyprus we are dealing with a civil war, and a civil war which is all the more serious because it affects two neighbouring nations which gave every indication of their intention to intervene. Had they intervened they could easily have started a conflagration which might have spread throughout the Mediterranean and perhaps throughout the world.

In carrying out the instructions of the security council to send a peace keeping force to Cyprus the secretary general of the United Nations had, therefore, to have the consent and the authorization of the government of that country. In consequence I am sure that a certain amount of negotiation and compromise was found necessary.

But bearing this in mind, I am sure that we as members of parliament must make it clear both to the secretary general of the United Nations and to the Secretary of State for External Affairs, who is our spokesman before that body, that there are three things about which we are concerned. We are concerned, first of all, that the Canadian troops who have become part of the United Nations peace keeping force shall have full and complete authority to protect themselves at all times and take whatever measures may be necessary to carry out effectively the task which has been assigned to them. They must never be allowed, because of red tape, to find themselves in a situation in which the directives they have been given are inadequate to provide complete protection. They must never find themselves in a position where those directives are so indefinite that

they do not give them the clearest possible mandate to do the job which they have been sent to Cyprus to do.

The second thing we have to make clear to the secretary general is that the Canadian forces must not be hampered in carrying out their duties; that once an agreement has been reached with the government of Cyprus the United Nations forces must have freedom of movement and access to whatever areas require their presence, and that they will not be hamstrung by interference or manipulation.

Third, I think we have to make it clear to the United Nations that in our opinion there must be an eventual disarming of the guerrilla forces on the island of Cyprus. As long as there are bands of armed civilians roaming about Cyprus there is almost certain to be trouble, and this is almost certain to involve the United Nations peace force. I know it has been suggested in press reports from Cyprus that the government of Cyprus would prefer that any disarming of civilians be left to the Cypriot government. Normally this would seem to be a logical conclusion. The fact remains, however, that it is doubtful whether the Turkish Cypriots would be as prepared to accept disarming by the Greek Cypriots as they would by the United Nations forces.

The situation is further complicated by the reports, which I presume are accurate, that the Cypriot government has already taken many of their armed civilians into the militia, and therefore they would not normally be disarmed. I think it is very easy to visualize what will happen. If the Greek Cypriots endeavour to disarm the Turkish Cypriots while the Greek Cypriots themselves continue to be armed, under the pretence that they are part of the militia, it seems to me that the whole armed conflict will erupt once again. I know this has to be negotiated and that it is not easy to reach these goals quickly, but I think it has to be said in this parliament and it has to be recognized by the secretary general of the United Nations that we would feel much easier in our minds if steps were taken promptly to begin the disarming of civilian guerrillas, both Greek Cypriots and Turkish Cypriots, thereby lessening the likelihood of bloodshed and lessening the chance that the United Nations peace keeping forces, the Canadians amongst them, might be caught in a crossfire between these two groups.

Mr. Chairman, I think we in this parliament have to recognize that the human race is now in the process of building something which is entirely new in human history. We are seeking to build, brick by brick, a system of collective security based on the rule of law. There aren't any precedents; there are no established patterns, and we have nc techniques for carrying this out. Men have long dreamed of the idea of the rule of international law, but to build up the kind of forces required, to decide the chain of command, to agree on the methods that will be used has to be worked out painfully and painstakingly. Therefore I think we have to be extremely patient. We have to recognize that if we are to have collective security based on the rule of law, there must be some surrender of national sovereignty both by any nation where a peace keeping force is operating and by the nations which contribute forces to the international police force. For that reason one cannot take too hard and fast a position. We have to feel our way. We will have to take a pragmatic approach. It will have to be a process of trial and error.

I think we are fortunate in the secretary general of the United Nations, who is a very distinguished gentleman. We are fortunate in the mediator who has been selected to endeavour to bring together the various factions in Cyprus. But I think as members of this house it is our responsibility to remind the Secretary of State for External Affairs and the secretary general of the United Nations that we, having decided to send these men to Cyprus, feel we have a responsibility, and that we intend to discharge that responsibility and shall keep on insisting that the terms of reference, the directives and the status of forces agreement which is now being negotiated shall all take cognizance of the three points I have mentioned; namely, the complete right of self defence and full protection for our forces; free movement and the right to go wherever it is necessary to go to perform their duties, and that we urge upon the United Nations and upon the government of Cyprus the necessity for moving very quickly toward the disarming of the guerrilla bands as a first step toward bringing peace and harmony on the island of Cyprus.

I hope the Secretary of State for External Affairs will express these concerns to the secretary general of the United Nations, and that he will tell the officers of the United Nations that the members of parliament and the people of Canada are concerned and would like to know more about the terms of reference and the directives, because we hold those who sit in positions of responsibility accountable for the Canadians whose lives and well being we have placed at the disposal of the international police force.

The Chairman: Shall this vote carry?

Mr. Diefenbaker: Mr. Chairman, I am not going to cover the ground already covered, but last evening I asked a number of questions of the Secretary of State for External Affairs and was far from satisfied with the

answers I received. I again return to the question that was mentioned in a passing way by the hon. member who has just resumed his seat, the leader of the New Democratic party. I refer to the circumstances under which Canadians will serve in the force in Cyprus.

I am not here for the purpose of endeavouring to secure information which ought not to be available to us, but I think when the Canadian people provide an armed force which constitutes a large part of the peace keeping force in Cyprus, and pay the shot as well, parliament has the right to the information which has not yet been vouchsafed to us.

I mention this because the position taken by the minister last evening was that the information for which I asked would cause great difficulty if it were given. Indeed, he said it would be a matter of serious concern. I know he was not too serious when he said that, although when one reads it in *Hansard*—

Mr. Martin (Essex East): I was very serious.

Mr. Diefenbaker: I will deal with the question of seriousness in a moment. These words are so far removed from the usual way the hon. member replies to questions that I am going to place them on *Hansard* again. He said, as reported at page 1678:

> I am sure my hon. friend would not want the country to get the impression that they cannot defend themselves.

I am the one he was referring to as "my hon. friend".

> I assure my hon. friend that the directives will enable them to defend themselves to the full. I must say to my right hon. friend, the former prime minister, that knowing the responsibilities of government and knowing the situation in Cyprus, what he said today was not calculated to assist in the discharge of that very difficult assignment.

That was simply a ridiculous *coup monté* and nothing else. The information I asked for is available in the press. Surely the minister would not have the committee believe that that which is available in the press should not be available to parliament. I have an article before me which appeared in a newspaper of yesterday's date, and I should like to quote from it. It has to do with an interview which the writer of the article had with Archbishop Makarios.

> British officers and soldiers have complained bitterly that they have been powerless to keep the peace without the right to disarm civilians, to make arrests, order curfews, or remove roadblocks. The United Nations force is operating under the same limitations—

I ask the minister whether it is not correct that these limitations have been imposed, that they are known to exist. I suggest to him that details respecting these limitations, about which fullest information has been given to the press, should be revealed to parliament. I recognize there are matters of security which do limit the extent of the information which can be given, but I hope the hon. gentleman is not falling into a habit which has become all too common with ministers opposite, namely that of refusing to give facts to parliament or indeed of presenting facts in a way which does not reveal the true situation.

We in Canada are most desirous to do our part to ensure and maintain the peace of the world within the limitations which are incident to our population and position. We are going to spend several million dollars on this force. We are doing so when certain of the powerful nations of the world which are members of the United Nations are deliberately refusing to make contributions. I could point to the U.S.S.R., which is in default I believe some $59 million; France is in default some $40 million for the peace keeping operations; and other countries as well refuse to play their part even in assisting the financing of the peace keeping operations which are of the essence of an effective United Nations. That being so, surely Canada has the right to know the circumstances under which this force, part of it placed under United Nations command, is going to operate. I ask specifically and within those limitations of security which are necessary why it is that members of parliament have to secure information from the press rather than in parliament.

There is another matter which has recently arisen, within the last few days, concerning NATO. The hon. member for Burnaby-Coquitlam referred to this body. I am not as optimistic as I was about the future of NATO. There has been a weakening of that body and in its collective purposes during the last couple of years. That is understandable. So long as there is threat of armed conflict, those who are joined together in concert to meet a potential danger or threat tend to remain united. When the threat is lifted the cement, as it were, which holds the organization together becomes weakened. I believe in this institution. I do not think we would be here had it not been born some 15 years ago and stood effectively united against the overwhelming threat which has faced not only western Europe but all mankind.

However, those who believe that the threat is now gone belong to a school who have not carefully studied events since 1945. Every now and then there is a defrosting between east and west. Every now and then there have been hopes that new détentes have been established, but after a period of time the west is suddenly brought to the realization that the aims and purposes of communism are unchanged and that these détentes, if you can

call them that, have often simply been detours on the part of the U.S.S.R. That being so, we must maintain NATO.

Therefore I ask the minister why it is that he or his office has taken the unprecedented step in the last few days of cancelling the biennial tour of Canada by the young European NATO political leaders. I understand that the American segment of the tour will go on as scheduled but that the normal four days' stay in Canada of these young, potential political leaders has been withdrawn. The information I have is that it was at the suggestion of the Department of External Affairs. I have a great deal of information on the subject but I shall not read it into the record.

I know that when young Canadians went abroad in 1961 and 1962 they learned more about NATO than they could have learned in any other way, and they came back to Canada imbued with an appreciation of and an enthusiasm for the institution, and were able to carry this message to their respective colleges and universities. This group which was to come consists of some 25 youth leaders. Two years ago I met a group like this when they came to Canada. They formed a warm impression of Canadian friendship and, above all, they came to understand the determination of Canada to stand with NATO.

I hope it is not correct that these NATO country youth leaders are to be told Canada is not interested in them. Unless they are welcomed here that is the impression they will get. I have the correspondence that has passed between the Department of External Affairs and interested persons in Canada, and I trust the minister will have this matter looked into at once. Canada cannot afford to ostracize herself from the opportunity to have the representatives of 15 countries come here. We place ourselves in a most unenviable position unless whatever directions have been given in this connection are revoked. If they are not revoked it will mean these young people will come to North America and not be the guests of a country that did so much to build up NATO.

The Chairman: Shall the item carry?

Some hon. Members: Carried.

Mr. Diefenbaker: No. I do not want it carried without hearing what the minister has to say on these two matters.

Mr. Martin (Essex East): I did not want to take up the subject matter of last night's discussion, but the right hon. gentleman has dealt with it again today and perhaps I owe it to him to make a reference.

I appreciate the attitude he takes as to the desirability of the house being fully informed on information that might be given without prejudice to the operation of the United Nations peace keeping force in Cyprus.

As I said last night, the right hon. gentleman had considerable experience as prime minister during the operations of the United Nations peace keeping force in the Congo, and I may recall that in 1961 a question was put to him with regard to the tragic loss of life among the Ghanaian contingent participating in that force. Happily in that particular situation Canadians were not involved, but the tragic circumstances provoked a question as to the right of the Canadian troops to defend themselves.

There was no doubt that the troops from Canada, and others in the United Nations force, had a right to defend themselves in that situation to the fullest possible extent, as they have on Cyprus. But I was interested in the reply the right hon. gentleman gave on that occasion, which can be found at page 4539 of *Hansard* for Tuesday, May 9, 1961. I mention this not because I wish to be controversial but because I want to state the problem. I am sure this will be appreciated by the right hon. gentleman and other members of the committee. On that occasion he said:

> Canadian military personnel in the Congo are assigned to the United Nations and are under the authority of the United Nations Congo command. It is the United Nations command which has direct responsibility for the safety of United Nations troops, as well as for their effectiveness in carrying out their tasks.

He continued:

> On the question of self defence, United Nations troops in the Congo are still under basically the same orders as those issued by the first United Nations commander, General Von Horn. These orders provided, in general, that members of the United Nations forces are authorized to use their weapons in self defence and to maintain positions which are considered tactically essential to the United Nations operations. These orders have been reinforced and given more detailed interpretation by the current commander, General McEoin.

Then he went on:

> In the light of the special difficulties and dangers faced by this non-combatant peace keeping United Nations operation, Canadian members of the force have been given specific instructions by their Canadian commanding officer, derived from instructions issued by the United Nations commander. In essence the orders to Canadian troops provide that they may use their weapons for defence in certain clearly defined circumstances. Resort to force is, of course, to be used only if normal discussion or negotiation has proved impossible or unavailing.

No one took exception to that statement. Indeed, the present Prime Minister commented, *inter alia*, as recorded at page 4540 of *Hansard* for that date:

> It may not be easy to lay down, in the words of the Prime Minister, the clearly defined circumstances which would justify the use of defensive

weapons, but I am sure every effort will be made by the United Nations to make sure that in the attempt to do that, the safety and security of those concerned is the first consideration.

It occurred to me that this exchange offered a parallel to the situation which currently engages our attention. The language which I used yesterday about the right of self defence, and more particularly a few days ago on orders of the day, was admittedly in general terms but not any more general, and understandably so, than the language used by the right hon. gentleman in the difficult circumstances that confronted the United Nations peace keeping force in the Congo.

It seems to me, Mr. Chairman, we must keep before us three documents; first of all, the terms of reference of the force, the directives given by the United Nations to the force commander and by the force commander to those under his command in Cyprus; and then there is the status of forces agreement.

With regard to the directives, I must say that these are in their very nature private and cannot, for the reasons I stated yesterday and on other occasions when this matter was discussed, be made public. In every operation of the United Nations this has been the practice, no less so in the case of the Congo than for other peace keeping operations of the United Nations. I suppose those with much greater military experience than I have had would say that this is true in any military operation, whether it be fully military or, as in this case, partly military.

With regard to the terms of reference of the United Nations force, and so we will have a complete record of this whole aspect of the problem, I should like to set out the terms of reference as provided in the resolution passed by the security council on March 4. They are in the following general words:

Recommends that the function of the force should be, in the interests of preserving international peace and security, to use its best efforts to prevent a recurrence of fighting and, as necessary, to contribute to the maintenance and restoration of law and order and return to normal conditions.

At first glance those words may seem to be far too general to offer an adequate basis for the activities of the United Nations force. I have compared these terms of reference with the terms of reference in other such basic documents of the United Nations, and I find that the language, while differing in some particulars, is basically the same. These particular terms of reference were carefully chosen and will remain the source of authority for the directives which will be issued to the force from time to time.

These directives are not immutable in character. They may be changed, and as situations arise will undoubtedly be varied by new directives. It is obvious that in the discharge of the function of the force these directives, if made public, would not assist the very purpose for which the force was established and sent to Cyprus. This is particularly so in this situation which, as the hon. member for Burnaby-Coquitlam pointed out, involves a rivalry between two communities on the island and an interest on the part of two neighbouring states.

It will be seen that the terms of reference and functions of the force empower the force, first, to prevent a recurrence of fighting; second, to contribute as necessary to the maintenance and restoration of law and order; and third, to promote a return to normal conditions. These terms of reference are sufficiently broad to cover an infinite variety of situations and activities in which the force may become involved without unnecessarily tying the hands of the force and of the force commander as to how he is to discharge his heavy responsibilities. I believe that the United Nations command will be in a position to deal with almost any situation, and that the directives which will flow from the terms of reference will be sufficiently elastic to allow the Canadian and other forces both to protect themselves and to take effective peace keeping action.

Commenting on what the hon. member for Burnaby-Coquitlam said, there is no doubt that we have the right, and we have asserted that right to see to it that the Canadians as well as other members of the United Nations force are able to take measures to protect themselves fully. Those measures will be taken in a manner calculated not to add to the difficulty involved in the assignment which has been given them.

I may say to the house quite frankly that on a number of occasions when I discussed matters involved in this question with the secretary general, both in New York and in Geneva, I told him about the interrogations that had been made in the house. He understood perfectly the concern of members of this house, a concern which he himself shares, to make sure that the opportunity of self defence is provided and that, to use the language of the hon. member for Burnaby-Coquitlam, the force is not hamstrung in the activities which it pursues. I communicated again last night with the secretary general to make sure there would be no misunderstanding. As a result he has issued an aide memoire which I believe has been circulated to all member states, certainly to those interested in this particular operation, in the following words:

The terms of reference of the peace keeping force in Cyprus are set forth in paragraph 5 of the resolution adopted by the security council on March 4, 1964. The secretary general has instructed

the commander of the force that the activities of the force which are exclusively under U.N. command are to be kept at all times within the framework of the security council terms of reference and no action not entirely consistent with them is ever to be undertaken.

In addition, the commander of the force does receive from the secretary general from time to time as a matter of course both general and detailed directions relating always to the terms of reference for his guidance in the discharge of his command. This being in accordance with usual practice in a military force has been the rule scrupulously followed with regard to all other U.N. peace keeping operations. Naturally those directives are entirely internal and cannot be made available for any public use.

In the interests of the successful discharge of the heavy responsibility which has been placed on the shoulders of the secretary general, I believe he had no alternative but to take the same position as was taken by his predecessors. It is the same rule which has obtained in respect of United Nations operations in Korea and in the Congo, and I am sure it will be applied in any future peace keeping operations.

The role of the United Nations in Cyprus is that of a policeman, just as it is in UNEF, just as it is in the Congo. Like any policeman, his function is public knowledge and the manner in which he discharges that function takes place in the full glare of publicity. His mere presence discourages lawbreaking, but where that in itself is not enough he may apply the minimum degree of force to discharge his responsibility. He is authorized, in addition, to defend himself as necessary.

All these things we take for granted as part of the police function in an ordered society; yet we do not insist on publication of the instructions that the policeman receives from his chief every day, nor would it be conducive to the fulfilment of his responsibilities if his every movement and intention were broadcast for the benefit of potential wrongdoers. These conditions are identical with those under which the peace keeping force in Cyprus must operate.

I recognize that I have a responsibility as Secretary of State for External Affairs. It is not an easy one but I accept it. My duty, within the limitations laid down by the United Nations, has been and will continue to be consistent with the assignment given to the United Nations peace keeping force. It is to see to it that the Canadian and other members of the United Nations peace keeping force are not prejudiced in any unjustified way.

Now, what I have said with regard to disclosure does not apply to the status of forces agreement. Yesterday I mentioned that there were consultations under way in New York between the foreign minister of Cyprus and the United Nations with regard to the status of forces agreement. I am happy to say that agreement was concluded late last night. While I am not in a position at the moment to table the status of forces agreement, I hope to be able to do so within a short period—just as soon as the full text has been made available.

With regard to the question raised yesterday by the hon. member for Burnaby-Coquitlam, the status of forces agreement establishes explicitly that the force and its members, together with its vehicles, vessels, aircraft and equipment, shall enjoy freedom of movement throughout Cyprus. The status of forces agreement is in the main, although I have not got it for tabling at the moment, somewhat similar to the status of forces agreement for the Congo. I may say that because of the Congo experience, it was possible for the secretary general and his colleagues to prepare an agreement more quickly in this particular instance than in the other to which I referred.

Mr. Douglas: Will the minister permit a question?

Mr. Martin (Essex East): Yes.

Mr. Douglas: May I ask him if the status of forces agreement provides not only the legal right of free movement in Cyprus, but does it also give the United Nations forces the right to remove impediments which may have been put there by groups other than the legal government of Cyprus?

Mr. Martin (Essex East): Yes; as I indicated yesterday, it does. This is implicit in one of the clauses. I think it is section 11 of the agreement.

With regard to the question about multinational forces which was put to me by the hon. member for Burnaby-Coquitlam, I would remind him of the announcement of policy made in this house on June 7, 1963 when the Prime Minister said, as recorded at page 790 of *Hansard*:

—I can assure the house, although I do not need to, that Canada has no intention whatever of developing national nuclear forces or of manufacturing national nuclear weapons. While we will give this proposal consideration, as indeed we are bound and are anxious to give consideration to any proposal made to us by any of our NATO allies—and we do not exclude the United States from that group—I do not think that it will be likely that we would wish to add to our existing responsibilities and commitments by participating in this kind of multilateral nuclear force. But this is a matter which will be given the consideration it deserves.

This proposal is not a NATO proposal. It is a proposal in which, consistent with this declaration of policy, Canada is not now participating.

With regard to the question of disarming guerrillas, I noted what the hon. gentleman

said. He will recall what I said in that context a few days ago in this house. The position of the United Nations with regard to this question is part of the directives and general principles laid down by the secretary general and of the aide memoire to which I have already made reference.

In so far as the question concerning young NATO parliamentarians is concerned, I have not got the full answer but I hope, before we are through, that I may have it. Perhaps I could give it later.

Mr. Rapp: It is not my intention to delay the passage of this item, but since I have been here all week and my Easter holidays are shot a few minutes more will not do any harm. The reason I would like to speak on this item is that last year I was a member of the Canadian delegation attending the NATO conference. I must say this was an educational experience and one which was very useful.

There are 15 nations that make up NATO. They include Belgium, Canada, Denmark, Norway, France, Germany, Greece, Iceland, Italy, Luxembourg, Netherlands, Portugal, Turkey, the United Kingdom and the United States. Strictly speaking, NATO is considered a military alliance, but to my surprise I find there were other aspects to this organization. When the delegates were assigned to the different committees I found that I had been assigned to the scientific and technical committee. This committee dealt mostly with matters pertaining to agriculture.

Amongst the subjects discussed were land reclamation and water pollution. I took advantage of the opportunity to speak about P.F.R.A. during the meetings of this committee to which I had been assigned, and referred to what had been done under it so far as our prairie regions were concerned. I also informed the committee that we had another plan, namely ARDA. There were two countries that were very much interested in this new program which was approved in 1961, and they were the United States and Turkey. These countries are faced with problems similar to the ones we have in Canada. It was therefore gratifying to find that these countries were very much interested in these programs. I suppose other Canadian delegates who were assigned to this committee, such as the hon. member for Lanark, had a similar experience.

Another matter in which I was greatly interested was the attempt to bring the tariffs of the NATO countries into line so these countries would enjoy better trading relationships. All in all, I must say that this was a very successful conference. While NATO may be considered a military alliance at the moment, nevertheless I think as time goes on more and more countries will realize that the other aspects of this alliance are very important. But these are important too, so that the relationship among these NATO countries may be such as to bring about greater harmony in all phases of our life.

Mr. Winch: I must admit that I did not realize until recently that the question of NATO was to be opened up and discussed the way it has been on a supplementary estimate. However since other members have opened up the entire subject of NATO and the Secretary of State for External Affairs has made some comment on it I feel obliged, myself, to make some comments and ask for some information with regard to this organization, our responsibility towards it in Canada, and decisions which have been made on the authority of the minister.

My first question arises out of the promise made across Canada by the Prime Minister that, having fulfilled the commitment allegedly made by the previous government with regard to nuclear arms, the present government would consult with the NATO authorities and endeavour to negotiate itself out of any nuclear position. My question is therefore: What action has the government taken through the minister of external affairs to negotiate Canada out of a nuclear commitment within the NATO framework?

I should like to follow this up with another question—I presume the hon. gentleman is the only one who can answer it. It is my understanding that there has been a renegotiation of Canada's commitment to NATO with regard to four R.C.A.F. squadrons in France. Will the Secretary of State for External Affairs be kind enough to give us a clear and lucid explanation of these negotiations which, I believe, were conducted a few months ago, based on the isolationist policy of de Gaulle who takes the position of God Almighty unto himself and declares he intends to develop his own nuclear force, irrespective of what the rest of the world or the NATO countries might think. We were told in the defence committee in Paris last fall that in exactly six years France proposes to have three atomic submarines all equipped with atomic missiles and that four years thereafter her entire military force, air force, army and navy, will be completely nuclear equipped. Having this attitude in mind, on what basis has the minister negotiated a change in policy concerning our four squadrons in France as a result of which two of these squadrons are to be moved from France to Germany but two are to remain in France because de Gaulle refuses, in accordance with his policy, to bring his own air force in Germany back to France because they could

not be nuclear equipped? He keeps his air force in Germany where it can be nuclear equipped by the United States.

On what basis are we now to keep two of our squadrons in France where they cannot be equipped in any way. I should also like to ask, under this new arrangement whereby two squadrons go to Germany from France and two are held in France, who is paying, Canada or NATO? Why, in the case of our two squadrons which remain in France, has there been a change to a reconnaissance and conventional role when these planes were constructed during the lifetime of the previous administration to perform a role which was solely a nuclear role? These changes have, I understand, been made in the last four months as a result of negotiations with NATO regarding our air force in France.

Since we are getting into a detailed discussion on NATO, let the minister give us an answer to at least these two questions. I ask him again, how far has progress been made with the commitment to renegotiate Canada's nuclear role in NATO and, second, on what basis do we maintain two air squadrons in France, non-equipped, when de Gaulle says France will keep hers in Germany, although we are maintaining ours in France itself to no purpose?

Mr. Peters: I only want to ask several questions. One affects the problem raised by my hon. friend from Vancouver East in relation to our policy in NATO toward France. It would seem to me, and I am not an expert in external affairs, that there must be some change in the attitude taken with regard to France. The fact that Canada finally succumbed to United States influence with regard to the possession of atomic weapons must have had some effect on French opinion and I am curious to know what the attitude has been and what, if anything, can be done to improve the relationship between France and Canada.

In the second place, I am extremely interested in the situation which has developed in Cyprus. The Secretary of State for External Affairs has done exactly what he has always done, and as ministers of external affairs have done for a very long time. He has talked a lot of mumbo-jumbo which members of parliament do not understand, and which I am sure the country is not supposed to understand, either. The subject of external affairs has always been in a field apart. I am always surprised to find that in my party, as I suppose in other parties, everybody who wants to be somebody wants to be an expert in external affairs. I have no such ambitions but I believe the question of Cyprus is so important that the Canadian public should understand what is happening and be well aware of what is going on. The minister used a number of Latin words which I do not understand, and it is not surprising we do not know what our troops are going to do. I now ask the minister of external affairs to tell us, not as a minister in charge of a department but as acting prime minister, why the request which was made by a number of members to the government, that they be provided with free transportation to Cyprus during what was to have been the Easter holiday, was denied.

Most of us do not speak the language of the participants in the cold war on the island of Cyprus. Speaking neither the language of the Turks nor the language of the Greeks, we would probably only be able to converse with those connected with the old British regime and others who were able to speak our language. I and the other members interested in going to Cyprus were not wishing to go there as a delegation of the government. We were not going there as representatives of a NATO organization or in any other official capacity; we were only going in order to find out some of the answers which I am sure we are not going to learn in the House of Commons, although some of these answers must be available to every soldier in Cyprus today.

I think it would not have hurt one little bit, because the V.I.P. plane—and I have checked this—is going to Cyprus with space available for three or four members of parliament if they want to go. These members were not asking that their expenses be paid by the Canadian people; we were only asking for transportation to Cyprus. We are willing to go there without the usual amenities that are afforded visiting members of parliament. I think this government was scared to let us go because we would know the answers to some of the questions that have been asked in this house.

I am sure that if I spoke to some of the soldiers in Cyprus they would be able to tell me what they are supposed to do on that island. I would be very surprised if they could not tell me, because if this were the case they would be doing whatever they wanted to do and would not be under direct instruction. I am sure that no secrets would be revealed if I were able to talk to the troops. I would be very surprised if the members of the Canadian contingent, or those of the Irish and the other contingents were able to find out anything that is of a secret nature, because of our inability to converse in the languages of the island. I know the hon. member is going to say that most of them are French, and this is perfectly true.

Mr. Pigeon: Mr. Chairman, would the hon. member tell us the names of the members who asked to go to Cyprus this week?

Mr. Peters: Arnold Peters was one. I cannot speak for the others, but I know that others wanted to go in an unofficial capacity. I can only speak for myself, and I asked to go. The Congo seems very far removed from here, but Cyprus does not seem so far away. I personally would have liked to go there to see what the economic situation is—not so much in terms of the orders given to the troops because, while this is important, that is their business and I agree with the minister in this respect. He is probably well aware of these instructions, and we presume the instructions are fair and reasonable and will afford protection to our troops. If this is not the case, we will replace the Secretary of State for External Affairs. Certainly the leader of the official opposition, in view of his past experience in connection with such forces, would know something of the guarantees that would be given in the circumstances.

I confess that I did not know where the island of Cyprus was and I had to look it up on the map. I suppose when I went to public school and studied geography I knew where it was, but I have forgotten since then because I suppose I have not been particularly interested in it; I have never had reason to pay it too much attention. I believe that we in Canada will have to make a different type of contribution to Cyprus in the form of economic assistance and, probably, technological assistance, before these problems can be settled.

I am told that most nations which have been concerned with the island of Cyprus have found things on that island to be too expensive, and one of the problems is that the amount of money that can be raised through the economy of that country is not sufficient to keep the people on the island. If this is so, members of parliament would be in a much better position to devise methods of helping the island if they visited that country. So what, if some members of parliament occasionally went to the army barracks and had a meal? I do not think this would bankrupt the government.

I think this club connected with the Department of External Affairs should not exist. I am of the opinion that this club has been very exclusive up to now and will have to be less exclusive in order that some members who are interested in this particular field may obtain some information.

Mr. Martin (Essex East): Mr. Chairman, before the hon. member attacks the club too strongly, may I just tell him that I know of no objection or law which would prevent my hon. friend going to Cyprus.

[Mr. Pigeon.]

Mr. Peters: Mr. Chairman, I do not feel so strongly about it that I intend to pay for a commercial passage in order to go to Cyprus.

Some hon. Members: Oh, oh.

Mr. Peters: I do not want to do this for a vacation. Four or five days in Cyprus would, in my opinion, not necessarily be a vacation at this time. Many people would find that out. I do not want to go there for social reasons. I wish to go there in order to ascertain some of the conditions that exist on the island and methods in which we can assist these people. I would be doing this in my parliamentary role.

I know the minister has not refused permission. Permission hinges upon whether transportation is given through another department. But I do think that if we are going to look intelligently at the problem as it affects Cyprus we will have to think, not so much in terms of roadblocks, of guerrilla bands in a particular area of the island, but in terms of the economic situation of the island community and the type of aid Canada could give to assist in the development of the island and its economy. We should also be giving consideration to what can be done to enable the two groups on the island to get along in harmony. It is my understanding that the poverty on that island is very severe and this is one of the deciding factors behind the operation of the guerrilla forces in the community. I have only read this.

If I had the opportunity to go to Cyprus, and if—there are many "ifs" in this—we had been given an Easter recess, and if I had been able to learn anything on arriving there in view of the fact that there would be a language barrier, I think I could have made a much greater contribution. I suggest to the minister that he should not be so reluctant in this regard. I think only a limited number of members would be willing to sacrifice four or five days in order to go to the island. It seems to me that if we went in a non-official capacity—and certainly we would have to go in such a capacity, or we would be a delegation—and were able to consider the situation in Cyprus and also in some of the other areas in which Canadian forces are involved, our understanding of these questions might be much greater than it is at the present time.

Yesterday the minister mentioned Yemen. I think I would not be too wrong if I said that most members of parliament do not know where Yemen is and have no idea of the conditions or people in Yemen. I may be wrong and I may be doing a disservice to members of parliament. But we are supplying to Yemen a certain number of Canadian personnel to help solve the problems of that country. According to some of the reports that

have been given us by the minister, this is a rather dangerous mission and there may be other things that are necessary in Yemen. Far be it from me to run myself down. I have met people from Yemen at the United Nations. I have heard some of the discussions, and I think we are perhaps overstating the situation. However I do think an opportunity should be given for members of parliament to visit these areas, provided such visits do not interfere with other commitments.

I agree that it would be different if this were to be a delegation. I think the Minister of National Defence will have to make the decision as to whether facilities are available for such visits. This is the responsibility of the people concerned, but I think there should be no reluctance to make allowances for these purposes. One of my friends keeps travelling around this part of the world. He was in several South American countries, and several times during his visits there happened to be a revolution in progress. I suggest that this is purely accidental, because he immediately leaves and the revolution goes on anyway. Many hon. members know the former member to whom I am referring, and it does seem unfortunate.

However, I do not think this will happen again and that the situation will be hurt by members of parliament.

I am sure the minister of external affairs, with his wide experience of travel across the world, will be of the opinion that greater understanding of the problems of the people to whom he speaks, including those in Cyprus, is essential, and this is made possible by his ability to visit these areas. I suggest the government reconsider the request which has been made by a number of members of parliament who would like to spend a few days in areas where Canadians are contributing to world peace. I think they should be allowed to make such a trip, not only with the encouragement of the government but also with the blessing of the minister of external affairs.

Mr. Pigeon: Mr. Chairman, I think it would be a good idea to send the hon. member for Timiskaming to Cyprus so he can see exactly what is happening. Because when he speaks in this house we sometimes sleep.

[*Translation*]

Mr. Marcoux: Mr. Chairman, I want to say a few words if only to prove to my hon. colleagues that I am here this afternoon.

Looking at the supplementary estimates concerning the aid to other countries, we realize the insignificance of amounts, which moreover were obtained after numerous representations. On the other hand, if we consider that within a few hours, it was decided to send Canadian troops to Cyprus, at a cost of about $2.6 million—to send them only, not to bring them back—we can wonder what sort of peace-making role our country is supposed to play. Canada is considered a middle-sized country, whose role should not be solely to preserve peace but to be an example to the world. We notice however that we are ready to spend $2.6 million for military purposes.

On the other hand, if we consider the amounts that are earmarked for foreign aid, we find that they represent about $2,250,000. This means that our country would rather encourage those who sell military equipment than those who sell food products which could be given to underdeveloped countries, or rather emerging countries. We have often heard that our country is doing the best it can, considering its population; but that it is not good enough, and our country should do much more to help those countries which are being developed and to fight hunger and poverty in the world.

I think there would be a way of making things easier since a country is rich only if its citizens are rich, a country cannot be considered a wealthy one if all its citizens do not enjoy a certain degree of economic comfort. I think, therefore, that the government could also help Canadian citizens live a better and easier life; this would permit Canada to help those countries which are being developed and to fight hunger and poverty in the world.

If the democratic countries cannot solve that problem, countries with another ideology will, and then we will try to fight them on another front.

Mr. Chairman, we should consider, not necessarily under these supplementary estimates but in years to come, granting more specific assistance to foreign countries and allocating a larger share of the external affairs' estimates to this item.

Mr. Lessard (Lake St. John): Mr. Chairman, I have two observations for the Secretary of State for External Affairs (Mr. Martin).

In the first place, in regard to our troops now in Cyprus, I hope they will not take root there as our Canadian military representatives did in the Gaza strip where they have been since 1956. So, I hope that our troops now in Cyprus will not remain there as long as was the case in the Congo and everywhere else.

Second, as far as the assistance given to underdeveloped countries in particular is concerned, I stated in this house the importance of helping missions. I submitted at that time that missions of any denomination that are already set up in Africa, in Asia or anywhere else can more easily and more efficiently than anybody else help the people and consequently, they need assistance. I wonder

whether the Canadian government could not help those underdeveloped nations through our missions and through the representatives we have in those countries.

I make that observation in good faith and I hope that the minister will find an opportunity to tell me whether it is possible and whether there could be some way to assist officially the missionaries who dedicate themselves in the various missions throughout the world.

Mr. Pigeon: Mr. Chairman, I merely want to say that when we were in power, the then prime minister had voted an amount of $300,000 for scholarships to French speaking countries and for student exchanges. I am asking the minister whether this government intends to increase that contribution.

We are assisting many countries through the Colombo plan, which is excellent, but I am wondering whether it would not be desirable to contribute also, in some other ways, to the development of French speaking African countries in the economic field as well as in other fields.

Mr. Martin (Essex East): Certainly. The hon. member shall see, when we discuss the main estimates for 1964-65, that we have proposals to make to assist those French speaking African countries.

[*Text*]

Mr. Martin (Timmins): Mr. Chairman, I was wondering, before the item carries, whether the minister has anything to say on the proposal advanced by my colleague the hon. member for Timiskaming. I have had the opportunity in the past of taking some of these trips and I have visited countries to see first hand some of the conditions which exist there. I think this has enabled me to form a better idea of the circumstances and is of assistance when matters of this kind come up for discussion in this house. In addition, I think it is of very great benefit to the morale of our soldiers to receive a visit from their members of parliament. If I may add to the proposition of the hon. member, the government will not be put to additional expense. We are not asking for a special flight for this purpose; merely that we be granted the advantage of occupying any empty seats on V.I.P. aircraft engaging in such missions.

The Chairman: Shall the item carry?

Mr. Peters: I should like a reply, Mr. Chairman, because there is no point in my writing another four or five letters. Perhaps the minister will reply, not as external affairs minister but as acting prime minister. I think he would have the capacity to say whether this can be agreed to in the future or not.

Mr. Martin (Essex East): All I can say to my hon. friend is that this would involve powers which even the Prime Minister does not possess. Naturally this would have to be a matter for consideration by the department concerned. However, I have noted what my hon. friend has said and I agree that, given the proper moment, visits of this kind are useful. I can do no more at present than note with great interest the observations made by my two amiable and distinguished friends from northern Ontario about their desire to travel. I hope it will not be misunderstood when I say it would have been very fortunate for both themselves and others if it had been possible for them to do that during the past week.

Mr. Winch: Is the Secretary of State for External Affairs in a position to reply to my basic two questions regarding the fulfilment of the government's promise to try and negotiate us out of the nuclear role in NATO, and what was the basis of the negotiations that led to the closing of certain NATO bases in France?

Mr. Martin (Essex East): With regard to the last two questions I really think these would be more appropriate at another time.

Mr. Diefenbaker: The minister should be in a position to answer the question about the NATO parliamentary group. The tentative itinerary provided for the visit to take place in Canada between May 13 and May 16, for lectures on Canadian history, political and economic, with a briefing on Canada's position in external affairs, a government luncheon, luncheon with the Canadian NATO parliamentarians association, and a visit to Montreal. Arrangements were made for some 25 parliamentarians to come here but suddenly, on March 30, the minister's office, in a letter written by Mr. J. D. Edmonds advised:

> —I am writing to tell you that after a great deal of consideration and after seeking advice from a number of quarters, and because of the great pressures and demands upon my time, I have reluctantly come to the conclusion that it will be impossible for me to assist you in the implementation of the visit to Canada of the European young NATO political leaders.

It is very important that these young people have an opportunity to visit our country, particularly after arrangements were made. To cancel those arrangements suddenly will certainly not bring any encomiums to Canada.

Mr. Martin (Essex East): I am sorry I did not answer that question and I thank my right hon. friend for reminding me of it. So far as I know there is no basis for thinking that any

official invitation had been extended to these young people, and consequently there was no cancellation of an official invitation. The hon. member for York Centre had written to me about this matter on March 12, and I indicated to him subsequently that this was a commendable project, to have the young NATO political leaders anxious to visit Canada and learn more about it.

I fully agree with what my right hon. friend has said about the desirability of exchanges of this sort, but we had made no provision for funds for this project. However, I have listened to what the right hon. gentleman had to say, and I understand the hon. member for York Centre sent me a further letter yesterday which I have not yet had an opportunity to see.

The person who made the request was a Mrs. Nancy Powis, who came to see my assistant several weeks ago about the possibility of such a visit, as did the hon. member for York Centre.

Mr. Diefenbaker: And the hon. member for Bruce.

Mr. Martin (Essex East): My right hon. friend says the hon. member for Bruce, and I suppose he saw one of my staff. There are no funds available for this purpose, but I shall look into the matter in view of the representations which have been made again today.

Item agreed to.

10e. Representation abroad—construction, acquisition or improvement of buildings, works, land, equipment and furnishings, $225,000.

Mr. Peters: Will the minister explain where these buildings are being erected and the acquisition of land is taking place? Even with the limited experience I have, I have always been surprised that Canada does not seem to have enough money to operate its external affairs offices in a proper manner. I know of one area where we have an establishment of embassy size and where a much lesser establishment could do a better job. We could present a much better picture of Canada if we did not over-extend ourselves; in other words, we should not push our status unless we are able to maintain it.

Mr. Martin (Essex East): This is in Helsinki and Islamabad in Pakistan.

Item agreed to.

15e. Canada's civilian participation as a member of the international commissions for supervision and control in Indo-China, $6,000.

Mr. Diefenbaker: Would the minister bring the committee up to date in regard to conditions generally in southeast Asia, particularly in those areas that are danger spots? What is his view as to the degree of danger that exists in South Viet Nam? Does he not agree that what is taking place there is one of the gravest challenges to the western world and to freedom itself? What, in his opinion, is the degree of success being attained by the western forces in that area to prevent the spread of communism? I do not want him to go into great detail, but if he could give an outline it would be helpful.

Mr. Martin (Essex East): The situation in Indo-China generally causes justifiable concern. The conflict between the two regimes in North and South Viet Nam presents the world with a difficult and dangerous problem. As the right hon. gentleman is well aware, Canada has an interest in Viet Nam, Cambodia and Laos, as a member of the international supervisory commissions in those three countries.

The situation in Laos, since the reactivation of the commission, has been strained by continuing difficulties, largely arising out of the failure of certain members of the commission to recognize the validity of the Canadian claim that majority decisions of that commission are needed, in the present situation, rather than an insistence on the rule of unanimity. The commission there continues to serve, under difficult circumstances, as best it can.

While the commission in Cambodia has not been very active it continues to serve important purposes. It may be put to more active use, depending on the outcome of certain discussions that are now taking place with the members of the Geneva accord group. This involves recent proposals from the government of Cambodia through Prince Sihanouk. It may be that in the course of the next few days or the next few weeks, there will be some indication of a decision to meet the current situation there.

The situation in Viet Nam is a serious one. Warfare continues and generally speaking the west is deeply involved by implication in this situation. The international supervisory commission has continued to function since the change of government in Viet Nam and we, as a member of that commission, are following the serious events there with the concern about which my hon. friend spoke. I do not think that I can add anything more, except to concur in what my right hon. friend said about the serious developments there.

Mr. Diefenbaker: Is the situation deteriorating in South Viet Nam to a degree that is threatening and challenging?

Mr. Martin (Essex East): I would not say that it is deteriorating, but there is no cause for believing that the situation has substantially improved.

Item agreed to.

99e. Contribution to the Canadian Red Cross in aid of disaster victims in East Pakistan, $10,000.

Mr. Knowles: Mr. Chairman, this is the first of five items under the external aid office. The various items call for contributions with respect to disasters or need in East Pakistan, Barbados, Yugoslavia, Brazil and the Caribbean islands. They add up to $50,500. In terms of the way we vote money here the total is really quite small and I am sure there will be no question but that the house will vote these items readily.

Since these items will be charged to the fiscal year 1963-64, I wonder whether the minister can now give us a figure representing the total of Canada's contributions under the heading of external aid for that fiscal year? Could he also tell us what the intended total is for the fiscal year 1964-65?

Mr. Martin (Essex East): The total—

Mr. Knowles: If I can get the minister's attention, in the first place I should like a specific total of what we spent under the heading of external aid for the fiscal year 1963-64, to which these items are being charged, and I should also like an estimate for the coming fiscal year.

Mr. Martin (Essex East): My hon. friend is asking for the bilateral grants. For 1963-64 the total was $50,400,000 odd. For 1964-65 it is estimated that the total will be around $75,600,000. Of course, this does not take into account in 1964-65 the program I have announced; the loan program and the increases in bilateral aid will bring our program up to somewhere between $170 million and $180 million.

Item agreed to.

103e. Emergency relief in the form of canned hams and powdered skim milk to the government of Brazil, $5,000.

Mr. Diefenbaker: Mr. Chairman, this particular item has to do with aid and assistance to the government of Brazil. There has been a change in the government there brought about by a revolutionary military coup. What is the general attitude of the Department of External Affairs toward the recognition of governments that follow a coup such as has taken place in Brazil? Has there been any determination yet as to the recognition of a new government?

Mr. Martin (Essex East): Mr. Chairman, I cannot of course comment on the situation in Brazil. It is too recent. With regard to the policy generally pursued by the government and, indeed, by Canada over the years concerning recognition, may I say first of all that recognition of the state is one thing and recognition of the government is another. With regard to the recognition of a government we would want to bear in mind the durability of tenure of the government itself. If this were apparent, all other things being considered equal we would extend *de facto* recognition. The question of *de jure* recognition would follow.

Recently we recognized a country with which we do not have any ideological community of interests. It had been admitted into the United Nations and as we were members of that body—I refer, of course, to Mongolia—we accorded that country recognition, although we do not presently intend to establish a mission there. Our procedure in this instance followed exactly the procedure two years ago by the former administration in the recognition of Albania. Conditions there were similar to the situation that attended our recognition of Mongolia.

In the case of commonwealth countries the question of recognition does not usually arise. My right hon. friend will remember interrogating me one day with regard to the government of Zanzibar. In that instance we did withhold recognition because we wished to examine developments there, in consultation with other members of the commonwealth.

With regard to recognition generally, the situation would be much as I have stated. There are, of course, some countries with which we do not exchange diplomatic missions; this is one way of effecting recognition. The mere acknowledgement of the existence officially of a country is another way of extending recognition. In some countries the ideological complexion has had something to do with the policy of recognition, although we feel generally that the isolation of countries in this interdependent period in the history of the world is undesirable.

Mr. Diefenbaker: Has there been any discussion as yet between the governments of Canada, the United Kingdom and the United States as to the recognition of the new government of Brazil?

Mr. Martin (Essex East): No.

Item agreed to.

115e. Assessment for membership in the international (including commonwealth) organizations that are detailed in the estimates, including authority to pay such assessments in the amounts and in the currencies in which they are levied, notwithstanding that the total of such payments may exceed the equivalent in Canadian dollars, estimated as of February, 1964, which is $977,500.

Mr. Peters: This is a million dollar item and relates to the assessment for membership in international organizations, including the commonwealth. I have wondered what the addition was in this case which warranted the extra million dollars?

Mr. Martin (Essex East): The total vote is about $977,000. I believe $4,500 will be to reimburse the Department of Finance vote for unforeseen expenditures from which funds were provided to meet the additional assessment for Canada in the commonwealth educational liaison unit. The house will note with interest, I am sure, that in the month of August this year the commonwealth educational conference will take place. This will be the third meeting since the one held in London, the last meeting being in New Delhi. This conference will bring together educators from all parts of the world. It will be a conference of very great importance, one that will be welcomed to Canada and one that will have very important commonwealth significance.

The $973,000 will go for our membership in the organization for economic co-operation and development about which we spoke yesterday. An amount of $646,648 was provided in the main estimates for 1963-64, to cover our assessment in the O.E.C.D. for the calendar year 1963. The O.E.C.D. budget for 1964 is forecast at 90 million francs, up 19 million francs from 1963. The construction of a new headquarters building accounts for some of this substantial increase in the budget of the organization.

Mr. Peters: Can the minister tell us what major project is now being undertaken in O.E.C.D.?

Mr. Martin (Essex East): If my hon. friend did not hear the excellent speeches made yesterday by the hon. member for Skeena and the hon. member for Burnaby-Coquitlam, I recommend strongly that he read their observations. This organization, as my hon. friend knows, is an organization that was set up to promote the economic interests of its member states. The member states are made up of the NATO countries and other non-NATO European countries, plus one country in Asia, Japan. The organization is directed by a distinguished former Danish economist and minister of finance, Mr. Kristensen.

In addition to furthering the economic interests of this group of countries, it seeks to encourage increases in the external aid programs of member countries, and contributes through such programs to the improvement of the standard of living in the underdeveloped nations of the world. This is an organization which I believe is doing important work.

Mr. Peters: I agree entirely with the minister. I was wondering just where O.E.C.D. was doing this work. I am wondering if Canada should be giving leadership to have O.E.C.D. do something for the development of Cyprus at the moment.

Mr. Martin (Essex East): My hon. friend will recall the reply I gave to the hon. member for Burnaby-Coquitlam several weeks ago when I mentioned that Canada had put forward a plan for consideration with regard to the very situation to which the hon. member directs our attention. This is a matter that is receiving the attention as well of O.E.C.D.

Item agreed to.

146e. To reimburse the agricultural products board for the export value of skim milk powder donated to international relief agencies, $490,400.

Mr. Peters: Yesterday, during consideration of the estimates for the Department of Agriculture, we discussed this $490,000 which is to reimburse the agricultural products board for the export of skim milk powder donated to international relief agencies. I am wondering why this full amount was paid to the agricultural products board. Why did the government not economize on this interdepartmental transaction? In other words, we paid the full price for this skim milk powder while other agricultural products were written off. As I remember it, there was a large sum written off in the revaluation of inventories. Would it not have been possible to obtain this product at less than the book value, because the purpose to which it was put was for relief and it came from our non-disposable surplus? Would it not have been possible to transfer this to external affairs for foreign aid?

Mr. Martin (Essex East): These products are bought at concessional prices.

Item agreed to.

149e. Assessment towards financing the Laos international commission, $84,100.

Mr. Diefenbaker: What has been the total cost to Canada as a member of the Laos international commission? The amount of the assessment here seems very high, considering the fact that the commission is composed of such a few persons. I wonder how it is made up?

Mr. Martin (Essex East): I have not got a breakdown for the other countries. The total for one year is, I think, $360,000 for the three commissions in Indo-China. I do not

have a breakdown of the total amount required for each of these three commissions.

Mr. Diefenbaker: What is the total personnel?

Mr. Martin (Essex East): It varies. In Laos, I think it is 26; in Cambodia, which is very small, around four or five, and in Viet Nam it is around 45 to 50.

Item agreed to.

The Deputy Chairman: That concludes consideration of the supplementary estimates of the Department of External Affairs.

Mr. Martin (Essex East): I thank the committee. I wonder if it would be agreeable if we were to sit right through the hour from five to six—in view of what I said about Cyprus and that trip?

An hon. Member: I agree.

Mr. Howard: If the Secretary of State for External Affairs is desirous of going to Cyprus we should not detain him. I think we should call it five o'clock.

The Acting Speaker (Mr. Batten): It being five o'clock the house will now proceed to the consideration of private members' business as listed on today's order paper, namely, notices of motion for the production of papers.

MOTIONS FOR PAPERS

REMOVAL OF ARMS AND AMMUNITION

The house resumed from Thursday, March 19, consideration of the following motion of Mr. Bell:

That an order of the house do issue for a copy of all letters, memoranda or directives made by the minister and/or the Department of National Defence regarding the rounding up of arms and/or ammunition.

Mr. Thomas M. Bell (Saint John-Albert): I should like to ask the unanimous consent of the house to withdraw this motion. I may say I intended to withdraw it anyway, but I had thought to exercise my right of reply. However, in an effort to be co-operative I am willing to forget that this afternoon, and ask that the motion be withdrawn.

The Acting Speaker (Mr. Batten): Does the hon. member have unanimous consent to withdraw this motion?

Some hon. Members: Agreed.

Order discharged and motion withdrawn.

GRAIN

PROVISION FOR DISPOSITION OF GRADE EXCESS AND OVERAGE

Mr. Reynold Rapp (Humboldt-Melfort-Tisdale) moved the second reading of Bill No. C-17, to provide for the restitution and distribution of the proceeds of grade excess and overage unlawfully confiscated and converted in 1955 and continuously thereafter under an act intituled an act to amend the Canada Grain Act to the use and purposes of the governor in council.

[Mr. Martin (Essex East).]

Mr. Speaker: I have two statements to make in connection with this bill. First, I have a few not too brief remarks on a matter of interest which was raised by the hon. member for Brome-Missisquoi (Mr. Grafftey) as to the procedure which the Chair has followed in the past and is following at the present time with regard to assisting members, or whether or not members should receive notice that their bills are in order or not. I think it would be useful, generally speaking, if I made a statement with regard to the question raised by the hon. member for Brome-Missisquoi and then dealt with the bill which the hon. member for Humboldt-Melfort-Tisdale (Mr. Rapp) wishes to bring forward this afternoon.

The hon. member for Brome-Missisquoi rose toward the end of February to direct a question to the Chair. The question is found in the following words on page 281 of *Hansard* of February 27:

Last session and the session before, a number of these bills were determined to be out of order at the time of second reading. I remember at one point speaking to the Chair about this, and the house leader for the government during the last session said he felt some method should be devised whereby private members could be informed before second reading if there were anything substantially wrong with their bills. I should like to ask the Chair whether any method has been worked out whereby private members might be given this information before second reading, and I do so in view of this caveat that has been entered to all these bills.

To summarize, the hon. member for Brome-Missisquoi suggests that a member having a public bill before the house should be notified in advance, that is, before second reading, if the said bill is to be declared out of order. This cannot be done for different reasons. First, so many public bills have been introduced by private members that the study thereof may be completed, in some cases, only on the eve of their being called for second reading. Second, if the Speaker has any doubt as to a bill being in order it is possible, as often happens, that he might call on the members to assist him in coming to a decision. How could he do so if he had already advised the mover that his bill will not be accepted? To quote from Beauchesne, citation 71(6), page 61 of the fourth edition:

In all matters of doubt, the Speaker will consider attentively the opinions of members of experience, or sometimes, instead of expressing his opinion on either side, may ask instructions from

the house or reserve his decision on the point in discussion, or suggest that the house may, if it thinks proper, dispense with the rule in a particular case. In doubtful cases, he will be largely guided by circumstances.

In the third place, the Speaker has no assurance that all bills will be proceded with. Why, then, should he rule on bills which may never be called? The time to give a ruling is when a question is raised in the house. It certainly is not one of the duties of the Speaker to rule in advance on hypothetical questions or on points of law before they arise.

Citation 70(6) at page 60 of Beauchesne's fourth edition, is to the effect that—

The Speaker decides questions of order only when they actually arise and not in anticipation.

Now, citation 364 at page 270 states:

Leave to introduce a bill is not always granted as a matter of course. The house is free to refuse it—

In the citations which follow many examples are given where the Speaker rules out the motion for first reading as being out of order on the grounds that it involved a charge upon the revenue, or for other reasons. Evidently in those cases no previous notice could be given to the hon. members sponsoring such measures.

In the circumstances now prevailing, the members have the advantage that all their bills are introduced, receive first reading and are circulated. They have been given notice by way of a caveat that these bills will be studied and, if necessary to declare any out of order, that this will be done only after serious consideration. This procedure has been agreed to by the house itself.

May I remind all hon. members of a certain standing order which is to be found in our standing orders, and suggest that if any of them wish assistance in the drafting of public bills, or as to their legality, they should consult with the parliamentary counsel. It is up to the members to inform themselves as to the rules of the house and their application in the past. The guiding principle is declared in section 54 of the British North America Act and in our standing order 61. In other words, bills involving an expenditure of public money or taxation, and all measures involving a charge upon the people, must be preceded by a resolution. It should be noted also that a resolution is required not only when an amendment seeks to increase the amount previously approved by parliament, but also if it changes the modality and conditions of the grant authorized by the original legislation.

Therefore, before introducing their bills in the house, hon. members should take the trouble of reading the decisions of speakers in the past as found in Beauchesne's third edition, these decisions being summarized as comments following the related standing orders in the fourth edition.

The Speaker is the servant of the house and is responsible for the enforcement of its rules. As stated by Beauchesne:

He declines to submit motions to the house which obviously infringe the rules which govern its proceedings.

In other words, the Speaker does not make the rules but he is bound by them and by the decisions of former Speakers as they have been interpreted in the past.

So much by way of reply to the hon. member for Brome-Missisquoi. I hope that statement will be of use to hon. members generally. I come, now, to the bill which is presently before the house, Bill No. C-17.

For different reasons, which I will try to summarize as briefly as possible, I must regretfully rule the motion for second reading of this bill to be out of order.

The argument made by the hon. member to justify the passage of this measure is found at great length in the preamble thereto, to which I will refer later on, and in the explanatory notes.

The preamble, for instance, states in its conclusion that "His Excellency the Governor General did not recommend the appropriation of grade excess and overage of the proceeds thereof to the use and purposes of the governor in council, as required under section 54 of the British North America Act" and also that "the amendments purporting to be so enacted are and ever have been unlawful of purpose and null and void in effect". In an attempt to further clarify the situation, it is stated in the explanatory notes to the bill that "Without the Governor General's recommendation, the 1955 provisions were and are unlawful."

Then the bill goes on to say that the full amount of the loss shall be paid out of the public officers guarantee fund or, if not, then recovered from the officials responsible and be disposed of for the construction of a public terminal elevator at the town of Tisdale and for other purposes. I am unable to see how such a plan could be worked out, nor am I ready to admit to the insufficiency of the resolution which preceded the introduction of "An act to amend the Canada Grain Act" in 1955. If there was a defect in the procedure there is no doubt that the point should have been raised and decided at that time. This has always been the position adopted by my predecessors and has been accepted by the courts.

For instance, as far back as 1926, in the exchequer court in the case of the King, plaintiff, and Irwin, defendant, where the

defence had claimed that the Naturalization Act "was in the nature of a money bill and was not properly introduced into the house and was void" it was held, "that when a statute appears on its face to have been duly passed by a competent legislature, the courts must assume that all things have been rightly done in respect of its passage, and cannot entertain any argument that there is a defect of parliamentary procedure lying behind the act."

The argument for the validity of this act rests on premises which I unfortunately am unable to accept. To quote the words of Lord Halsbury in a decision respecting the commissioners for income tax, we must "proceed upon the assumption that the legislature is an ideal person that does not make mistakes."

And now Willis J. in Lee *v.* Bude and Torrington Junction Railway Co. (1871) L.R.6, C.P.576 at p. 582, used words which I would like to adopt. He said, "If an act of parliament has been obtained improperly, it is for the legislature to correct it; but so long as it exists as law, the courts are bound to obey it...Having neglected to take the proper steps at the proper time to prevent the act from passing into a law, it is too late now to raise any objections to it."

I therefore consider myself bound by the opinions and decisions I have referred to or cited, and cannot entertain any argument that there is a defect of parliamentary procedure lying behind an act as a matter of fact. It is, as has been said, a case where the maxim *omnia praesumuntur rite esse acta* applies with great force and rigour.

As the trust moneys mentioned in the bill and proposed to be recovered as suggested in clause 2 thereof for the general advantage of the beneficiaries cannot, by virtue of what I have already said, be so recovered, it seems useless to repeat the reasons I gave last session in ruling out of order another bill of the hon. member respecting the Tisdale grain terminal on June 13, 1963, and which is to be found at pages 987 and 988 of *Hansard* of that date, or the ruling by Mr. Deputy Speaker on December 10 when he ruled out a government bill which had been introduced without a resolution. This was quite a lengthy decision so I will quote only a couple of lines. He said, "The new act will change the conditions attached to the spending of these moneys by the original act and, to this extent, the bill now before the house would appear to be a money bill."

Before closing my remarks I would refer to the drafting of this bill; more particularly to the long preamble of two pages and a half, which is more in the nature of an argument, an explanatory note and a discussion, than in the proper and usual form of such part of a bill.

Standing order 72 provides expressly that, "No bill may be introduced either in blank or in an imperfect shape." In the caveat I gave on Thursday, February 20 on the introduction of 68 public bills by private members, I stated that each of these bills would be scrutinized and that if any defects were found therein so far as the practices and usages of the house are concerned, it would be brought to hon. members' atttention. This I am doing now. As stated by the conference of commissioners on uniformity of legislation in Canada in 1942, "Preambles should be avoided. An act should explain itself and if reference to a preamble is necessary in construing any provisions of an act, it would indicate that the draft requires revision."

Sir Allison Russell, K.C., expresses the same opinion in his book on legislative drafting when he further states, "It is only in exceptional cases, usually those where constitutional changes are being enacted, that a preamble is now used to explain the object of an act. A preamble cannot restrict or extend the enacting part, when the language and scope of the act are not open to doubt."

However, it is not mainly on account of the preamble that I have to declare this bill out of order, but for the reasons given previously.

Mr. Rapp: Mr. Speaker, naturally I am not in a position to argue against your decision. However, it is beyond my understanding why one legal official would say that this bill is not out of order while another legal official says that it is out of order. In my opinion the reasons for the bill which are given in the explanatory notes are fully explicit. The farmer has the right to use these overages to his advantage. If the overages are under the direction of the governor in council and the governor in council can say for what purposes they are to be used, I cannot understand why the bill should be out of order.

I am not going to object to Your Honour's ruling and I fully accept your decision, but at the same time there must be some other method adopted in this house which will resolve this type of difficulty, where a member receives legal advice from one official that does not coincide with the opinion of another legal official.

Mr. Speaker: May I ask the hon. gentleman whether he submitted his bill to the parliamentary counsel, because the parliamentary counsel shares my opinion with regard to this bill, namely that it is out of order. Did the

hon. member take the matter up with parliamentary counsel, as is his right, of course?

Mr. Rapp: No, Mr. Speaker, I did not.

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, I wonder whether I might be permitted, since Your Honour referred to me in the opinion, to say just a word by way of explanation. I realize at once that I am not strictly in order, any more than the hon. member was when he commented on what Your Honour had to say. However, the hon. member did telephone me this morning about his bill, and I confess I had not looked at the bill at all. The hon. member gave me a general idea about it, and I am afraid it was completely out of my mind at the time that this question of order had arisen in a previous case. I did undertake to say something about the bill if the hon. member spoke. I would just like him and the house to know that I was acting in perfect good faith, and I was not in any way seeking to mislead the hon. member.

Mr. F. J. Bigg (Athabasca): Mr. Speaker, as the seconder of this motion I should like to say just a word or two on the bill. It has been my experience in the house that private members' bills are not treated strictly on legal grounds. I can understand the argument applied in regard to statutes, namely that matters interfering with the rights of individuals and placing restrictions upon them should be very, very strictly ruled upon. But surely a private member's bill is the only way we have in Canada of bringing forward what we think are inequities in the law and giving them some airing before the highest court in the land. We do not look upon this as an appeal to a court of appeal, but to public opinion. The number of private bills which get through are very few; they are nearly always talked out, sometimes with the help of the officials of the house. I do not think that this bill would even get to a vote if it were debated at length; but apparently there has been widespread dissatisfaction with the way private property has been expropriated, and this is our only opportunity to give the matter a proper airing. Perhaps this short discussion we are now having may have that effect. But I do not think we should be too restrictive in private members' bills because this hour provides the only opportunity to discuss such matters.

Mr. Speaker: I am sure all hon. members realize that it gives the Chair no satisfaction to rule bills out of order, but it is my duty to find whether there are any faults in a bill, and if so to say so to the house. May I remind all hon. members that they are entitled to aid and assistance, and if they will consult with parliamentary counsel they will get that aid and assistance. Otherwise if hon. members want to take the risk before presenting their bills without first discovering whether the bills conform with the rules and regulations, then that is up to them. But they need not take that risk; all they need do is present their suggestions and ask for aid and assistance of parliamentary counsel, who is there to assist members. It is my particular job as Speaker to try and make sure that any bill which is presented to the house is in proper form, and it is my duty so to declare out of order a bill which is not.

Mr. MacInnis: Mr. Speaker, just going back to the point that it is difficult to warn members before second reading, it appears to me that the length of argument put forth by Your Honour against this bill is an indication that considerable time was spent developing the argument to rule this bill out of order. Therefore there would have been ample time to let the hon. member know that the bill was not in order.

COASTAL FISHERIES PROTECTION ACT

PROVISION FOR EXTENSION OF FISHING ZONES

Mr. Barry Mather (New Westminster) moved the second reading of Bill No. C-27, to amend the Coastal Fisheries Protection Act (12-mile fishing zone).

He said: Mr. Speaker, when this measure was before us last year I said we were well aware of the fact that the government had announced its intention to negotiate a 12-mile fishing limit for Canada, but I added that while we were aware of that fact we were quite unaware of the details of the type of 12-mile fishing limit the government had in mind. I think I should reiterate those words today. I am glad, for the reasons stated last year, that I left my bill on the order paper as it might serve as a contrast to or as a comparison with what we understand the government is intending in the form of a 12-mile fishing limit.

This bill calls for—

—a declaration by the Queen in parliament that Canada within those 12 marine miles seaward of her coasts has, to the sole use and benefit of her nationals, the right to fish exclusive of all others: as well an affirmation of Canada's obligation to protect and conserve the live resources of those seas to that same end.

This bill would repeal paragraph (b) of section 2 of the Coastal Fisheries Protection Act and would substitute the following:

(b) 'Canadian territorial waters' means a fishing zone extending seaward to a limit 12 nautical miles from the baseline from which the breadth of the territorial seas of Canada are measured headland to headland and includes inland waters of Canada.

To show something of the feelings, I might almost say of dismay, which are held in a wide section of the British Columbia fishing industry at the reports of the government's intentions with regard to its 12-mile fishing limit plans, I should like to quote briefly from a publication of the Pacific trollers' association entitled "The Pacific Troller". I am quoting the January-February edition 1964, and I think it reflects the feeling of many fishermen of British Columbia, as well as in other parts of Canada.

> When the Minister of Fisheries... announced the government's intentions to declare a 12-mile territorial limit in May of 1964, the entire fishing industry was elated with the good news...
>
> Having taken such a courageous stand when the need was evident, why has the government now softened the tenor of its original announcement?

According to this publication—

> The members of the Pacific trollers' association are greatly alarmed at the government's attitude, which points to granting historic fishing rights within the proposed 12-mile limit to such countries as have exploited our shoreline fisheries in the past.

That is specifically the United States. The Pacific trollers' association urge:

> That no permanent recognition be given to historic rights prior to a trial period, of some years, in which to assess the effectiveness and further complications of an extended fishing limit; it being our opinion, that there are many trials ahead for those countries who have and those who will seek to extend the areas of protection for their fishermen—
>
> We implore our government to consider this one opportunity to better the position of its own fishermen. The entire Canadian fishing industry has fought long and hard for extended fishing limits. Those who might claim historic rights offer nothing in return. The fishermen of our day feel no obligation to historic rights. In their minds the only rights deserving recognition are those in which there is an equitable exchange.

In brief, Mr. Speaker, it is my opinion that what we hear of the government's plans and negotiations to establish a 12-mile fishing limit for Canada underlies the fears expressed in the quotation to which I have just referred. I think the Minister of Fisheries (Mr. Robichaud) would do well to call together the standing committee on marine and fisheries, at which time we could discuss freely and frankly all of the important problems and aspects involved in what is about to be done. In my opinion, Canada like so many other countries—I think some 50—should take the perfectly reasonable step of staking out her 12-mile limit and offering time to others to negotiate with Canada to the end that international agreement to a limit is reached. The bill I introduced last year, and which I have left in the form it was, would do this. On behalf of Canada it would establish a 12-mile fishing limit, and I urge hon. members to support it, at least to the extent of directing it to the attention of the fisheries committee.

Mr. Joseph P. O'Keefe (St. John's East): Mr. Speaker, I wish to say I am entirely in favour of the principle of the bill and have no doubt that it is one of the most important bills to come before the house since the session began. Coming from Newfoundland, which is primarily a fishing industry province, I can state that unless this bill, or one like it is passed, as promised by the Prime Minister, there will shortly be no Newfoundland fishery at all.

During the last few days the newspapers have been full of articles about seal hunters, and there has been a lot of talk about the terrible atrocities perpetrated on innocent seals. But the problem is far more serious than that. It is so important that the livelihood of all fishermen in Newfoundland is at stake.

I see many defects in the bill as it stands, but I am completely in favour of the principle contained in it, providing for the establishment of a 12-mile fishing limit. I hope it will receive the due consideration not only of the members who represent fishing and coastal districts but also of members who represent the interior of the country. Even though Newfoundland is at one extreme end of our country and while we are not one of the "have" provinces at the moment, if some of the developments in Labrador come to fruition—and I feel they will under the guidance of Mr. Smallwood—then the province will become one of the richest in Canada. Meanwhile the principle contained in this bill is one which we support wholeheartedly.

Mr. C. W. Carter (Burin-Burgeo): Mr. Speaker, I would like to congratulate the hon. member for New Westminster (Mr. Mather) on presenting his bill at this time, even though one wonders whether it is a propitious time to do so, since the Prime Minister has committed himself to the principle of a 12-mile territorial waters limit for Canada. But if we debate the bill in a responsible way, we can bring out points that will be useful to the different parties in the negotiations presently under way and which are designed to work out a mutually suitable arrangement.

The sponsor of the bill made some reference to historic rights. I did not get a chance to write down what he said, but I gathered he was quoting from a pamphlet put out by the trollers' association of B.C., in which they express some fear that the government would go back on its announced intention with respect to a 12-mile limit. I have been advocating this 12-mile limit for a great many years. I have done so because the

livelihood of 90 per cent of my constituents depends upon its being established, and I can assure the hon. member that my constituents are just as vitally interested in this matter as are the trollers of B.C.

However we must take a responsible attitude and realize there are such things as historic rights and treaties between Canada and other countries which cannot be treated as scraps of paper or brushed aside. Fishing has been the main industry in my province for over 400 years. It was carried on by the fishermen of European nations long before Newfoundland came under British rule and long before it was peopled with permanent settlers. Those nations acquired historic rights, and if we want to create a responsible image of Canada we must recognize these facts.

There is, however, another consideration, and a paramount one, the right of people to make a living. No civilized nation in the world could insist on retaining historic rights which result in depriving the people of a country of their means of livelihood. That is why I said at the outset that this bill was important to my province, and in particular to my constituency.

Each year, at about this time of year, the fish come in from the ocean and are very plentiful in a narrow strip of water along the west part of my riding, and it often happens that at this time of year the ice comes out of the gulf and encloses a sheet of water along the coast. In many places the ice comes in right to the land and at other places it stretches two or three miles off shore. Yet in that narrow strip of water, which is perhaps 80 miles long, not more than 12 miles wide at the widest point and diminishes in width almost to zero, 50 to 60 draggers belong to other countries fish. There are Spanish draggers, Portuguese draggers, French draggers, draggers from almost every European country one could mention. This is the time of the year when the fishery in this section of my riding is at its peak. My constituents are depending upon the fishery for their livelihood because either they get the fish now while they are there, or they do not get them at all. Their whole livelihood is at stake.

Yet with such a concentration of foreign draggers in this small stretch of water my constituents dare not go out to try to earn their livelihood. They cannot risk putting out their gear because these foreign draggers would destroy it. The gear costs thousands of dollars and many of my constituents have had their gear destroyed by the operations of these draggers. In this 12-mile wide stretch of water operations by foreign draggers can be carried on with perfect legality and yet they result in taking away the livelihood of 7,000 or 8,000 people.

Mr. Mather: I wonder whether the hon. member would permit a question. It is in line with his description of the conditions affecting his constituents inside this 12-mile zone. Would he not agree that in setting up a 12-mile limit for Canadian fishermen it would be well to allow for negotiations and a phasing out period whereby we would finally be rid of some of the evils he has outlined with regard to these so-called historic rights of other countries?

Mr. Carter: Yes, that was the point I was trying to make. These historic rights have very serious results but you just cannot brush them aside. If we are going to work out a satisfactory solution to the problem I think we must proceed on the basis of recognizing that they exist and recognizing the harm that is being done by adhering to them. I am sure that any reasonable, civilized country would want to come to a solution that would prevent these harmful effects, but I think we would defeat our own ends if we simply proceeded on the basis that there were no such historic rights.

Another feature of the bill is strict adherence to a 12-mile limit. There are places where this is impossible and for it to apply strictly it can only apply in places where there are 24 miles of water between Canada and a foreign country. There are places in my riding where there are not 24 miles, not even 15 miles. South of my constituency lie the French islands of St. Pierre and Miquelon, which are fishing settlements. Like the Newfoundlanders, these people depend on the sea for their livelihood. At the nearest point between St. Pierre and Miquelon and the Burin peninsula, which is part of my riding, there is a distance of only nine miles while the average distance separating them would be about 14 miles. I do not think it would be reasonable for Canada to say that 12 of those 14 miles would be Canadian waters. I think we have to be reasonable in situations like this and work out a mutually satisfactory solution, because we want justice. We want the harmful effects prevented and we want to do unto others as we would have them do unto us.

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

Mr. Carter: Yes.

Mr. MacInnis: I take it his reference to the islands of St. Pierre and Miquelon was for the purpose of saying that he anticipates that the French will not have the historic fishing rights to which he has referred?

Mr. Carter: No, that is the very opposite of what I said.

Mr. MacInnis: Then why does the hon. member refer to the distance between his own constituency and the islands of St. Pierre and Miquelon, if it is his intention that the French shall have these historic rights and the privilege of fishing on these grounds?

Mr. Carter: I think my hon. friend would understand better if he would remember that I said that at the closest point between St. Pierre and Miquelon and Newfoundland there is a distance of only nine miles. How can you get a 12-mile limit of territorial waters out of nine miles is a mathematical—

Mr. Martin (Essex East): Problem.

Mr. Nowlan: It needs an Einstein.

Mr. Carter: —operation that is a little too much for me to deal with today.

Mr. MacInnis: If the hon. member does not mind, I would remind him that the nine mile stretch would be available for both the fishing fleets from St. Pierre and Miquelon and those from his own constituency, and therefore there would be no need of a 12-mile limit at that particular spot.

Mr. Carter: No. In broad general terms, Mr. Speaker, I think the principle of the bill is reasonable. It is necessary for the conservation of our resources and it is certainly essential for the welfare of my constituents. It is a principle on which we can stand, on which we can insist where it is possible to implement it, but I do not think we can insist on it in places where it clearly is not possible. There are exceptions to every rule and these exceptions have got to be ironed out between the parties concerned on a basis of what is conceded to be sensible and reasonable, and on the basis of doing unto others as we expect them to do unto us.

Mr. Nowlan: I take it the hon. member is suggesting that we should have negotiations in dealing with this matter, rather than a unilateral statute such as is proposed here?

Mr. Carter: Yes, I think I mentioned in the early part of my speech that negotiations are going on and that I questioned the propriety of debating this measure because the subject matter was more or less sub judice in view of the negotiations already in process.

Mr. Howard: In the light of the co-operative attitude of the government on other private members' public bills, I wonder whether it would agree to move, as they did the other day, a motion that the subject matter of this bill be referred to the standing committee on marine and fisheries where the whole problem can be dealt with. I see the Acting Prime Minister nodding his assent to that suggestion.

Mr. Martin (Essex East): No.

Mr. Howard: I am sorry I misunderstood.

Mr. Martin (Essex East): I was agreeing to a very wise suggestion made to me by the hon. member for Essex South (Mr. Whelan).

Mr. Howard: Could I have an answer to that suggestion? Apparently the government is not disposed to take that course.

Mr. Martin (Essex East): The government is going to bring in a measure later.

Mr. A. B. Patterson (Fraser Valley): Mr. Speaker, I do not intend to talk out the bill so my remarks will be very brief. I simply wish to express my support for the principle of the bill introduced by the hon. member for New Westminster (Mr. Mather) which is now under discussion in the house. In presenting the position of the government the hon. member for Burin-Burgeo (Mr. Carter) I believe referred to the fact that this measure was superfluous because the Prime Minister (Mr. Pearson) had already made a declaration to the effect that Canada was going to proceed with a declaration of a 12-mile fishing limit. I spoke on this subject some months ago, and pointed out that the government of British Columbia, as well as the organizations there, are vitally interested in this matter and support the principle. I believe the principle has general support right across the country.

There are some problems that have been referred to, but certainly the vital one is the matter of historic rights. I was going to suggest that as between the presentations of the hon. member for New Westminster (Mr. Mather) and the hon. member for Burin-Burgeo, we find a middle course and have a phasing out period. Then, a little later in the discussion, the hon. member for New Westminster referred to that matter. I do not believe it is an insuperable difficulty.

At the moment we know that if the historic fishing rights are maintained, then our own fishermen will be at a disadvantage. It is pointed out in an article in the *Globe and Mail* of December 5, 1963, speaking of the maintenance of historic rights, that this would continue an incongruous arrangement in which, for conservation reasons, Canadian trawlers are prohibited from fishing in coastal waters which are open to foreign fishermen. I do not believe that is a desirable situation in which to put our fishermen. Therefore, even if we recognize the historic rights principle, we ought to recognize as well that Canada has prior rights in some of these waters. Some way should be found through

negotiation to resolve this problem to the satisfaction of Canada and the other nations as well.

We do not want to repudiate arbitrarily any commitment into which we have entered with a nation, but I believe other nations will have to recognize this matter is of vital importance to Canada. There seems to be some hesitancy about calling a meeting of the committee on marine and fisheries. We have discussed this matter on many occasions in the past, but there has been some hesitancy in calling the committee together. I think it is about time the committee got into action to deal effecively with some of the problems that are of vital concern to Canadian fishermen, certainly to British Columbia fishermen whom I have the honour to represent. I would therefore support the principle of this measure and trust that the house will give favourable consideration to it.

Mr. Richard Cashin (St. John's West): Mr. Speaker, the hon. member for New Westminster (Mr. Mather) is to be congratulated for introducing this measure for discussion. As he knows from some of my colleagues on this side of the house, and indeed from even an elementary knowledge of geography, this particular piece of legislation is one that is most important to the fishing industry of Newfoundland. There has been a suggestion from the hon. member for Skeena (Mr. Howard) that the subject matter of this bill be referred to a committee. It seems to me that we in Newfoundland are very heartened by this attitude, and by the attitude of the present administration toward this problem. We were all very pleased with the announcement last May by the Prime Minister (Mr. Pearson), and we are all aware that certain negotiations have taken place.

I expect that in the very near future Canada will declare the 12-mile limit. It seems to me that one could go on at great length about the merits of the 12-mile limit. I have heard no suggestion from any quarter as to the disadvantages of it, particularly so far as our fishermen are concerned. There are two things that are being said from time to time in discussion of this problem in Newfoundland. The first is that it will be a difficult thing to enforce a 12-mile limit, hence there will not be the substantial improvement it is hoped there will be. It is said that trawlers or draggers will continue to violate, perhaps with greater ease, a 12-mile limit.

In so far as that is concerned, I would say the 12-mile limit would be easier to enforce than the 3-mile limit. In many areas, particularly along the eastern coast of Newfoundland, the fishermen actually go from six to eight miles off shore rather than 12 miles to engage in what is known as the inshore fishery. If a trawler violates the 12-mile limit there will be a couple of miles of grace to apprehend the culprit. It would seem the 12-mile limit would leave a little leeway and would clear the ground for the inshore fishermen.

The inshore fisherman of Newfoundland is one who, in the past, has been lost in the shuffle. Perhaps I could cite a reason that the fishermen were not well disposed to confederation in 1949. In 1890 the Bond-Blaine treaty, which would mean so much to Newfoundland, was virtually scuttled by an unimaginative dominion government. I am very glad, and the people of Newfoundland are very glad to know that the present Prime Minister, the Secretary of State for External Affairs (Mr. Martin) and the Minister of Fisheries (Mr. Robichaud) are prepared to make atonement for this previous unimaginative and unenlightened action on the part of the Canadian government.

Mr. Deputy Speaker: Order. The hour appointed for the consideration of private members' business has expired and the house will now resume the business interrupted at five o'clock.

SUPPLY

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

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

CITIZENSHIP AND IMMIGRATION

20e. Administration of the Immigration Act, $133,800.

Mr. Peters: Some time ago the question was asked, what is to be done under the Immigration Act in relation to the admission of nationals from countries to which various forms of restriction are applied?

The last time this matter was being discussed I mentioned that many of the Chinese immigrants who do enter this country enter under the authority of orders in council. The number involved is close to 40,000 people, every one of whom was an exception to the rules established by the act. I am informed that since then a large percentage of those who were permitted to live here by order in council have applied for the protection of the amnesties which were granted on at least three occasions by ministers in charge of immigration and citizenship.

The difficulty which arises now is that the offences which took place prior to the last amnesty are continuing to take place. People are still entering this country illegally and applying under the order of July, 1962, for an amnesty in respect of their offence. This situation is serious because it comes extremely difficult to change or improve the immigration laws at a time when it is not possible to stop the lawlessness which is taking place under the existing provisions. The swing of the pendulum must be stopped before the act can be changed and modified.

What bothers me is that I have been made aware in various ways of a number of these cases, and I find that in each one little has been done to ascertain why the offence was committed in the first place. Some of these cases are unusual. One which came to my attention involves a father—a Canadian citizen—who sent his own daughter, also a Canadian citizen, back to China. She married her brother there and then brought him out to Canada as her husband. She has applied for regularization of the position under the terms of the amnesty, and this matter has now been resolved. Other cases are not so easily resolved. Some are still under investigation by the R.C.M.P., but when the inspection reached the stage of looking into the orders in council, that was the end of the matter.

In a legislative sense we have been able, by passing orders in council, to legalize what is essentially an illegal situation. This makes it difficult, if not impossible, for the R.C.M.P. to do anything about it. I had some dealings with several R.C.M.P. officers who were carrying out investigations in my riding. They of course were shortly told that they were not to visit me in the parliament buildings—that they were not to visit me at all. In fact this matter was closed.

I put a motion on the order paper for the production of all the papers and for the names of all the people involved. The reply was a voluminous one. I do not see how it will be possible for any individual to investigate these cases; I do not know how he would go about it. But I can say I am pretty disgusted with the R.C.M.P. and with the department itself for not pursuing these matters.

The nationals in this country who are vitally interested in the immigration laws were promised from time to time during the term of office of the former government that changes would be made. I give credit to the former government for stopping the orders in council; they stopped these exceptions to the law. This of course brought the whole process to a standstill in certain areas. Now I presume, we are going back to the old system of passing orders in council. I think it is a shame that we in this country cannot find out exactly what has been happening in the past and see that it does not happen again. I would like to suggest that the present minister is having a look at the channels of immigration in Hong Kong at the present time with a view to establishing the old system of bringing in immigrants under orders in council, so that he would have the opportunity of carrying out investigations which are outside the scope of the immigration branch. But I know that if we are really to be honest about what has happened in the past we must admit that there is hardly a member of parliament in this house who is not in the disgraceful position of knowing something about this immigration business, particularly about what has happened in the past with regard to Chinese immigration. I do not think there is a member here who does not have some knowledge, and who is not now sitting tight and doing nothing about the knowledge he has.

I think this question must be brought out into the open so that everyone may know what is wrong with our immigration system, particularly as it affects Asiatics. If this frankness is expressed, the minister of immigration has an obligation to introduce new laws which will eliminate the excuse for abuses such as have taken place in the past. I have told the Chinese people in my riding that the government intends to change the immigration laws as far as the Asiatic people are concerned. I have told them that the government has promised to do this, that we have the word of the minister that it would be done this session. I cannot say that today, because hon. gentlemen opposite have not said they are going to change the law this session. But for three of four years we have been told that changes would be made. We have been given assurances to that effect. One investigating officer asked me how there could be these changes when the problems facing the immigration branch are the same now as they were four or five years ago, before the big investigation took place.

At the time the cabinet changes were made I was very hopeful that the then minister of citizenship and immigration would be left in charge of that department because he had done some good work with respect to the problems of Indian affairs. I had hoped he would be in a position to make certain decisions which would have clarified this situation with regard to immigration in general and Asiatic immigration in particular. Perhaps this only happens in my area, but I think if hon. members would really get around and talk to the Chinese people in their ridings they would find that many things are happening that have not been made public in the past. These are

the things, in the main, which we should prevent by legislating changes in the act. You cannot really blame a person in this country for wanting to bring over some of his close relatives, a son who is over the age of 21 or a mother who is under the age of 60, but very often these relatives do not meet the terms of the regulations as they apply at the present time. These people must wonder why we in parliament cannot solve some of the problems and why we allow the discrimination, that is so evident, to continue under the Immigration Act.

I see that the Minister of Justice is here. I think that perhaps he has more to do at the moment than he can handle. But if he has any time left over, I would like him to offer some assistance in the field of immigration because I know he has some understanding of the problem. This is a field that must be understood and a great deal of sympathy and consideration must be given to it. We in this country should be progressive enough to double our population in the next ten years. If we really wanted to do something for confederation we would increase the flow of immigrants into this country. We are a very large country in which many, many areas are not being developed at the moment because we do not have the population with which to develop them. I know the charge is often made that if we change the immigration laws and increase the number of immigrants into Canada we will increase unemployment. But in what fields would we increase unemployment? Is it not true that we will have to feed these people, house them, clothe them and provide the other services which are now surplus to our requirements? In this way we will be performing a great service to many of these countries which today are not able to feed and clothe their people. I should like to know, Mr. Chairman, whether it is the intention of the government to do nothing to solve the mess that is well known to exist in respect to immigration.

The other day I phoned an R.C.M.P. inspector because I was advised a particular matter came within his department. This matter concerned an investigation by the passport department of the R.C.M.P. The inspector said he would look into the matter and would phone back. This was several weeks ago. He has no intention of phoning back. Unless the government make up their minds that they want to do something about it, I am sure the inspector will not do anything about it, any more than will the constables further down the line. I think this is a field in which the government is very vulnerable, and we as a nation are very vulnerable, because of the anomalies which exist in our Immigration Act.

I do not know whether the present minister intends doing anything about it, but I make the suggestion to you, Mr. Chairman, that he probably will not, because this is a department that requires a very strong minister. This problem requires someone who will spend a great many hours each day formulating a program that will cope with the problems which have obviously existed in the past. This situation requires someone farsighted enough to know that part of the future of Canada will rest upon the type of immigration policy that we develop.

Mr. Howard: Mr. Chairman, I know the minister himself is not here but I wonder whether somebody else can give us an explanation of this item. There is here an item of $60,000 for publication of departmental reports and other material. It seems an inordinately large amount of money for the publication of departmental reports. I wonder whether we could have an indication of what this is for or what the material is that is mentioned in the item. Also, was there an item in the main estimates for this purpose?

Mr. McIlraith: Mr. Chairman, I take it that the hon. member is asking about that part of the item that refers to the publication of departmental reports and other material. The difficulty there is that the stock, or the regular supply of informational material that they use apparently ran out and had to be replenished.

Mr. Howard: Would this item refer to forms for letters, reports and that sort of thing?

Mr. McIlraith: It refers to the kind of pamphlet that the immigration department regularly uses and distributes.

Mr. Thomas: Mr. Chairman, in answer to a question asked in the house not long ago it was stated that the minister intended to make a trip to Hong Kong for the purpose of considering a possible increase in immigration from among the refugees there. I wonder whether there is anything to report in connection with the trip the minister made to Hong Kong.

Mr. Badanai: Mr. Chairman, the reason the minister is not here tonight is that he is in Hong Kong at this moment. He is trying to deal with the very point raised by the hon. member for Timiskaming, namely seeing whether we can do anything to improve immigration from among the Chinese population in Hong Kong.

Mr. Baldwin: Was there any spare room on his 'plane?

Item agreed to.

35e. Trans-oceanic and inland transportation and other assistance for immigrants and settlers, subject to the approval of treasury board, including care en route and while awaiting employment; and payments to the provinces pursuant to agreements entered into, with the approval of the governor in council, in respect of expenses incurred by the provinces for indigent immigrants, $230,000.

Mr. Howard: Mr. Chairman, from the wording of this item I gather it refers to assistance provided by the Canadian taxpayer to immigrants to reach Canada and to provide for them until such time as they become established in this country. Is this the item that used to appear in these estimates—the amount used to be $3 per day per person—which was paid to assist immigrants who came to Canada? Is that what this item represents?

Mr. McIlraith: A large part of the item has to do with the payment of family allowances for the first year immigrants are here; that is, before they come under the family allowance statute. The balance refers to welfare assistance payments. The reason for the increase in this amount is that in 1963 there was an increase in the movement of immigrants from 74,000 to 93,000.

Mr. Howard: Could the minister give us the breakdown of this $230,000? What amount relates to family allowance payments and how much relates to other things?

Mr. McIlraith: The expenses required out of the family allowance provision amount to $390,000; the increased need for welfare assistance, due to the larger movement of immigrants during 1963, amounts to $35,000. This gives a total additional requirement of $425,000, offset by savings of $195,000 in other parts of the main estimates.

Mr. Howard: I wonder whether the minister can explain if it is the policy of the government—and if it is, it is news to me—to pay family allowances to people who do not qualify or do not meet the requirements of the statute under which family allowances are paid. If this is the case, why do we not amend the statute and make this provision all-inclusive, rather than employing two different methods in this regard?

Mr. McIlraith: Mr. Chairman, this was in operation under the previous two governments, since 1955. It has been paid for children of immigrants in lieu of family allowances.

Mr. Howard: Just because it has been in effect since 1955 is not a very good reason to keep it in effect. If we are going to do this why do we not do it under the Family Allowances Act so that payment to children is effected, whether it be an actual family allowance payment or an amount of money which is equal to a family allowance payment?

Mr. McIlraith: This provision covers immigrants only. It is not quite the same as a family allowance payment. In addition it does not involve whatever the technical adjustment to the income tax return is called, which a citizen who receives family allowances deducts under the income tax provisions. That is why it is done in this way rather than under the family allowance statute.

Mr. Howard: Then it cannot be a payment in lieu of family allowance. It is an amount paid to children of immigrants.

Mr. McIlraith: It is called family assistance, a slightly different terminology. Whether it is a new sort of family allowance or not, I do not know.

Mr. Howard: But you just said it was.

Mr. Pickersgill: Mr. Chairman, perhaps I can say a word on this because I instituted this provision when I was minister nearly 10 years ago, and I am rather surprised that the hon. gentleman who has been here for so many years has only now learned of it.

Mr. Nowlan: That is a pretty poor explanation.

Mr. Pickersgill: In order to prevent visitors to Canada from drawing family allowances for their children, it has always been provided in the law that the children must be here for a year. Anyone coming to Canada has to be here for a year before his children are eligible for family allowances. During a period of high immigration this seems very unfair to families of immigrants who are being encouraged to come to Canada. Therefore rather than amend the Family Allowances Act, this family assistance has been paid under the immigration vote.

Mr. Howard: The hon. gentleman should not be surprised that I was surprised to hear about this, because when the President of the Privy Council recounted to the committee the history of this item he said it was to pay family allowances in that period of one year. That is what surprised me. I knew there were payments under the immigration vote to immigrants who were in Canada, but I thought it was in the nature of $3 per day, or it used to be something like that. In any event, whether or not it is family allowance or in lieu of family allowance, or some other designation is given to it, when one considers

the hon. gentleman's government, the one which preceded it and the one which preceded that, and the secret manner in which governments operate these days, is it any wonder we cannot get any information about what is going on?

Mr. Martin (Timmins): Mr. Chairman, I should just like to drag into the light of day something about which I have been endeavouring for five years behind the scenes to get a satisfactory answer, so far without success. Therefore perhaps I can get the answer in public that I could never get in private. It concerns a man who to all intents and purposes was a veteran of the Canadian army. He served in the Polish brigade, which was part of the third Canadian division. He has also been interned both by the fascists and the communists. He spent sometime in a fascist concentration camp and five years in a Siberian communist concentration camp. Then he returned to Poland and for the last six or seven years has been endeavouring to gain admittance to Canada.

As far as I can find out the only reason he has been excluded is because a sister-in-law of his whom he has never seen in his life is a well known communist in Timmins. I should like to ask the minister or the department responsible whether that is a justifiable reason for excluding this man, or are there other reasons. Offhand I would say that one of the best influences we could have on some of our Canadian communists is the presence of people who have spent some time in a communist concentration camp. It would be an excellent influence on them, I think. I would ask the minister whether he can give any satisfactory reason why this man is denied entry to this country. I am sure the former minister is quite familiar with this case because I discussed it with him, as I did with the minister before him and the minister before him. I wonder whether there is any justifiable reason for this man's continued exclusion from this country.

Mr. Favreau: If I may speak on this, as a very proud former minister of citizenship and immigration, the question raised by the hon. member is one which, in my opinion and I know in the opinion of the present minister, is of great importance at the present time and I hope the hon. member will believe me when I say it is under consideration and study.

Mr. Peters: I have a request of the government under this item. Amongst other things we have allowed a certain amount of transportation, to the tune of a quarter of a million dollars. I know a family who want to return to Czechoslovakia; I think that is their country of origin. The husband worked here for some time and became involved in a mine accident, since when he has been unable to hold a job. The municipality has been paying welfare but this family seem to be just unable to maintain themselves. They are having difficulty with medical bills and wish to go back to their country of origin. I am wondering whether there is a section of the act which allows payment of travelling expenses to families such as this who want to be repatriated to their country of origin. They will be glad to leave.

Mr. McIlraith: I rather think there is no legislative provision for that kind of expenditure; but I am not very sure of my ground on this and would prefer to draw the matter to the attention of the minister on his return, rather than have my answer taken as correct.

Item agreed to.

Indian affairs branch—

50e. Indian agencies—Construction or acquisition of buildings, works, and equipment including expenditures on works on other than federal property, $43,000.

Mr. Howard: I should like to take advantage of this opportunity to make a general comment about the Indian affairs branch, its structure and organization. For a period of 10 years one Colonel Jones was the director of the Indian affairs branch. Without attempting to say anything disrespectful about Colonel Jones as an individual, I am quite sure that the procedures and disciplinary concepts and attitudes of a colonel were taken holus-bolus from his military background and transplanted into the Indian affairs branch. Unfortunately, as a consequence I think the Indian affairs branch became somewhat ossified and fairly strict in whatever it attempted to do.

Let me cite an example. A couple of years ago the Indian affairs branch developed a policy with respect to Indian housing, in which there were four different methods that Indian people could participate in the building of houses. I phoned someone in the department to ask for a copy of the brochure outlining this scheme. It has been distributed far and wide among the agencies and the bands, but even though the person I spoke to on the phone said he would send me a copy, a week went by before I received it.

Normally when one is dealing with a government department and phones for something, somebody in the clerical section will put it in the mail, but in every request I made to the Indian affairs branch during the time Colonel Jones was there, there was always a delay. In this particular instance I got a letter from Colonel Jones about a week or so later, referring to the conversation I had with somebody else, and enclosing a copy

of the brochure. I cite this as an example of the overly strict rigidity which prevented that department from doing anything worth while, other than in an administrative way, when Colonel Jones was the director.

Colonel Jones has now retired and the present director is Mr. Battle, who I gather is a person of an entirely different nature, background and interest, and many people in the branch hope, as I do, that Mr. Battle, with all the assistance he can get from the minister, will be able to transform the Indian affairs branch into something worth while. He has only been a short time in this position and miracles do not work overnight, especially when one tries to apply them to a branch such as Indian affairs.

When the main estimates for this fiscal year come before us, I hope the minister will be able to report on the changes that have been wrought in the Indian affairs branch and that we shall not have to persist in looking at it in a critical way, as has been necessary in the past.

Item agreed to.

60e. Welfare—operation and maintenance including grants and contributions as detailed in the estimates, $25,000.

Mr. Howard: I wish to read the words outlining this estimate. They are:

Welfare—operation and maintenance including grants and contributions as detailed in the estimates, $25,000.

And the detail shows:

Grant to the province of Manitoba towards community development.

This may be a play on words but I think it represents the psychological attitude of the people who prepare the estimates, an attitude which many people have adopted in regard to welfare, but I do not think a grant, or an expenditure of money made directly by the Indian affairs branch for the purposes of community development should be classified as "welfare", because is is not welfare. The sooner we get away from the concept of welfare as applied in the Indian affairs branch to our native people the better, especially as it is applied to keeping those people in almost abject poverty and starvation. I merely make this as a suggestion for the future, because such words and designations used by the people who prepare the estimates are not in keeping with the enlightened and forward approach which we should have to Indian affairs and the Indian people in this day and age.

Item agreed to.

[Mr. Howard.]

70e. Economic development—operation and maintenance including the grants and contributions detailed in the estimates, $65,000.

Mr. Peters: I think the public are entitled to know what is the present state of the project called Ookpik, or something like that where a little imaginary owl developed in the Arctic has been violently abused, according to recent newspaper reports.

The Chairman: The suggestion is made that the point now raised by the hon. member does not relate to vote 70e.

Mr. Peters: Well, it very likely relates to the handicraft development program, though it may be the wrong department.

Mr. McIlraith: It relates to the Eskimos, not the Indians. The Indian affairs branch comes under the Department of Citizenship and Immigration, and that is what is before the committee at the moment. The Eskimos come under the jurisdiction of the department of northern affairs, and Ookpik belongs to the Eskimos.

Mr. Peters: That is downright discrimination in the handicraft field. It is disgusting when you go into many shops and see totem poles for sale that are manufactured in Japan. Not long ago I spoke to one Indian chap who was developing and selling native Indian handicrafts in Ontario and Quebec, and it was his opinion that the department was doing absolutely nothing to help in this field. He had made application for assistance here in Ottawa, and he had a small store. I would like to know why he found it so difficult to get assistance. He said many of the people he had contacted in the department were patronizing in their attitude, patting him on the shoulder and saying, "You are doing a fine job," but they were not really interested in helping him obtain genuine Indian handicrafts. He showed a great deal of initiative but I understand he has gone out of business since that time.

In the northern areas especially there seems to be no co-operation between the native handicraft workers and the buyers. There is no assistance from the department and there has been a reliance on the Hudson's Bay Company for any trade that is done.

The Chairman: Shall the vote carry?

Mr. Howard: I thought the minister was on the verge of giving some answer on the points raised by the hon. member for Timiskaming, and I want to make some comments myself.

Mr. McIlraith: With reference to the case raised by the hon. member, if he cares to give the name of the person involved I shall undertake to have the case looked into. But

so far as the general activity is concerned this vote is to authorize moneys to provide, in respect of Indian commercial activities, for the instruction and supervision of Indians, the furnishing of materials, the purchase of finished goods and the sale of such finished goods. Projects concerned with the production of Indian handicrafts, particularly some of the larger projects, have attracted greatly increased participation by craft workers this year, requiring unusually heavy expenditures and involving increased outlays for materials and supplies. That is the reason for the large supplementary which is greater than the vote in the main estimates.

Mr. Peters: Is there organized assistance for Indians in the handicraft field in the same way as there is for Eskimos under northern affairs? The Eskimos have been assisted in forming co-operatives so they can do this work. I am interested in the Ontario Indians, particularly the Manitoulin Indians and the Temagami Indians, bands of the type that have been operating as tightly knit organizations. Does the department send in people to train them and give advice as to what kind of products can be sold? The little bird or animal that the Eskimos have has been a pretty good deal for them and I wonder whether similar assistance has been given to the Indians.

Mr. McIlraith: I do not know how closely the two programs can be compared, the one for the Eskimos and the one for the Indians. However, there is this development program for the Indians which provides assistance for their training in handicrafts and in selling their products. As I said a moment ago, it will be noted from this particular vote that the project seems to have gone particularly well and there seems to be a sharply increased demand for this kind of developmental assistance. That is the reason we are in these supplementaries asking for an amount greater than the amount in the main estimates under this heading.

Mr. Peters: Is there any way that the department can protect the Indians against the importation of facsimiles? I refer to totem poles, Indian type slippers and Indian type beaded belts. We find them being imported from Japan. When you buy them at an outfitter's shop you find they are stamped "made in Japan". Because this is a protected field and because the Indians are having such a difficult job adjusting to our business community, I am wondering whether we have considered the idea of restricting the sale of facsimiles in Canada.

Mr. McIlraith: The hon. member has raised a pretty large question. As he knows, any imports into this country require to have the country of origin marked on them. Then there is the protection to be obtained, as was the case with Ookpik, through the trade mark legislation or design mark legislation, or possibly the copyright legislation. In certain circumstances these acts can all be applicable to certain products. About all I can do now is to draw the minister's attention to this point to make sure that the department is applying the existing legislation to the maximum extent possible to protect the products of the Indians in the handicraft field.

Mr. Howard: Mr. Chairman, with regard to what the minister has just said, unfortunately the native Indian people do not know anything about copyrights or copyrighting for design and that sort of thing. Although it may be a bit late now, it might be a worthwhile venture for them to try to establish their rights, especially the west coast Indians who developed totemic carving. Incidentally, this carving is the only truly original North American art form developed on this continent. These carvings appear on totems, house poles, house fronts and now on plaques. These figures represent the inheritance of families of Indian people and are truly theirs if anything is theirs. Other countries have seized upon them and they now come back to this country in the form, for instance, of grotesque totems from Japan. They are sold as authentic Indian totemic carvings when in fact they are not.

A prime example of this is in the field of the argillite carving of the Haida Indians of the Queen Charlotte islands. For many years they have carved their tribal stories, their crests and the like on a slate called argillite and the work they do is beautiful. Many of the younger fellows are now taking up the old art handed down to them from their forefathers. These carvings are representative of an art and culture far surpassing most other art forms that exist in North America today. They bring a reasonably decent price. The price for an argillite totem carving is anywhere from $6 to $7 an inch and if they are larger poles, say three feet high, the price can range up to $20 or $25 an inch and in some cases more than that. They are well worth it too because of the beauty of the work that is done.

However, right in north Vancouver, British Columbia, there is a company operated by an individual by the name of Boris Mange who bought or somehow acquired some of the original authentic argillite carvings depicting the stories of two or three Haida families. I do not know exactly what his process is, but

it is a chemical process involving the breaking down or liquefying of fibreglass which is then poured into rubber moulds and out of the mould comes a flat object which is scratch by scratch the same as the original. From a distance of a foot or two one cannot tell the difference between an artificial totem and an original carving. It is only when one picks up the artificial carving, holds it in his hand, finds it is much lighter and looks on the bottom that he finds it is not an authentic carving at all. It is only by close examination that this can be discerned.

These mouldings or castings have been sold and are probably still being sold in shops all across Canada. They are represented as authentic Haida or Indian carvings. I saw them first a year and a half or two years ago in a jeweller's shop on Elgin street. I was walking by the shop and saw this carving in the store. I was amazed to see them in Ottawa and I went inside to inquire about them. I had a lengthy argument with the operator of the shop as to their authenticity. He showed me a communication from a wholesaler in Toronto—I have forgotten the name —to the effect that these were authentic argillite carvings.

They were not authentic at all, they were substitutes. I have seen similar signs in other curio shops in different parts of Canada representing these mouldings or castings as authentic Haida argillite carvings. They are not. All that is shown on them is a shortened version of the individual's name on the bottom. This could be interpreted by those not familiar with the peculiarities of one of our native tongues on the west coast as the name of the individual. In fact, it is not. It is a shortened version of the name Boris Mange.

How does one protect himself against the mechanism of the individual whose sole concern is not the production of anything artistic or cultural but the production of a commodity purely for profit? Our native Indian people are not conversant with the copyright law. In fact, I understand from people in the legal field that this is a specialized branch of law which is highly complex. One almost has to make a lifetime study of the Copyright Act in order to appreciate all the intricacies of it. I believe that the crown, some government agency, could make a particular study of the copyright law and assist the native Indian people in attempting to protect, by law, their own designs which represent their inheritance from their families.

Whether or not this has ever been suggested before, I could not say. It was only upon invitation, following the minister's explanation, that I rose to deal with the question. I would appreciate some answer from the Minister of Justice or perhaps the Minister of Transport who at one time was the minister of citizenship and immigration. Could a study be made of the copyright law to see whether or not it could be used to assist the native Indian people to protect their own designs, and particularly the designs of the west coast people in their totemic art?

Mr. Favreau: Mr. Chairman, so far as I am concerned the problem is being raised, in this fashion, for the first time. I can say one thing, that this is certainly one aspect of the matter which ought to be given consideration and looked into.

Mr. Howard: It is very kind of the minister to say it ought to be looked into. Will he look into it or will the government look into this particular aspect of it? If it would, it would be a great service.

Mr. Favreau: I took it for granted that everybody knew, with a government like this government, when it knows something ought to be looked into it will be looked into.

Mr. Howard: In dealing with any government, my experience has been you have to tie them down, hogtie them, get them to put it in writing, and then you have to look for the loopholes, particularly when you are talking to a lawyer.

Item agreed to.

DEPARTMENT OF THE SECRETARY OF STATE

Civil service commission—

1e. Salaries and contingencies of the commission, $131,000.

Mr. Peters: Would the minister care to explain the increase in these salaries and contingencies of the commission?

Mr. McIlraith: It is for salaries, and for the whole general administration of the civil service commission.

Mr. Peters: Was there any item covering the commission in the original estimate?

Mr. McIlraith: Yes, there was an item for $5,011,600.

Mr. Peters: I notice that it has cost a considerable sum to advertise for recruiting purposes. I am sure that every member of parliament could offer some suggestions with regard to the system that has been used. I do not believe this large expenditure produces the results it is intended to produce. I should like to use as an example the translation staff. The former secretary of state was continually talking about recruiting for that staff. I expect he was using this system.

The charge has often been made, and I think quite legitimately, that a department head often frames the advertisement for an employee in such a fashion that only the person he has designated is available for that

position. Then there is the problem with respect to jobs that are classed as bilingual. I am sure some hon. members have noticed, as I have, advertisements for secretaries receiving a salary of less than $4,000 per year. The advertisement said she had to do 90 words a minute in shorthand and 50 words a minute on the typewriter in both languages. I would suggest if you found someone who could do that they would probably not be working for $4,000 a year. If they were, they would be working for the former secretary of state, because that is the type of person he required.

I do not know how long it is since we looked over these advertisements. As everyone knows, most of them are published in the post offices. A lot of them are sent to members of parliament, but they do not get anywhere for the very good reason that many members of parliament do not believe in going into that field of employment placing when we have an employment service through the unemployment insurance commission. I am sure that there must be a lot of duplication and waste in the presenting of these publications. In many cases, it appears to me they are directed only to those people the department heads wish to have. I should like to know if any change is contemplated in this procedure or if any changes have been recommended?

[*Translation*]

Mr. Pigeon: Mr. Chairman, I would like to ask the minister if he intends to apply the recommendations of the Glassco commission to the civil service commission?

I would also like to ask a supplementary question. The Secretary of State (Mr. Lamontagne) stated some time ago that bilingual employees would get a special bonus. Is that the opinion of the minister and does he propose to implement the Secretary of State's suggestion?

[*Text*]

Mr. McIlraith: With regard to the first question asked by the hon. member for Joliette-L'Assomption-Montcalm, I want to point out that part of these supplementaries is for the establishment of a language training school. This school will provide an opportunity to unilingual civil servants to become bilingual. Some $16,000 of this supplementary is intended for that very purpose. As to the second question the hon. member asked, I am not aware that the Secretary of State made such a suggestion in the form in which it has been put forward. With regard to what was said about implementing the recommendations of the Glassco commission, I would not want to give a dogmatic answer without having before me the recommendations of the Glassco commission in detail concerning the civil service commission because I have found that with so many of these recommendations one might adopt a large part of the recommendation but there might be a defective part that one did not wish to adopt.

However, this subject matter is receiving very active attention. As I well know, a great deal of time is being spent on it now, with a view to implementing the recommendations of this particular royal commission. Some 70 of these recommendations have, in fact, been put into operation already and the new legislation which will be coming before this house later this session will provide an opportunity for discussing the matter more fully. I do not think I am improperly disclosing the legislation because it was referred to in the speech from the throne, but it is proposed that one of the ministers, the president of the treasury board, will have the responsibility, when the legislation is brought in on this subject, for bringing about the type of recommendation made by the Glassco commission, and examining the management of government.

[*Translation*]

Mr. Pigeon: Mr. Chairman, I would like to put another question to the minister. I would like to ask him if he shares the opinion expressed by a member of the government, namely that bilingual employees should get increased salaries. This is a direct question.

[*Text*]

Mr. McIlraith: I have never heard that proposition put forward in that form and I would think the answer of any responsible person would have to be that, surely, this would not be the basis for a bonus if the duties to be carried out did not require the use of both languages. Surely the hon. member does not suggest that it should. It is a matter relating to a qualification for the particular work to be done.

Mr. Pigeon: Yes, but the Secretary of State said that.

Mr. McIlraith: I do not think the hon. member will find he did so, in the form in which he has put it. If he disagrees, I would want to see the statement to which he refers. Personally I have no recollection of my hon. friend making such a statement and I have discussed related subjects with him from time to time at considerable length. I believe the hon. member will find that this added qualification, if you like, of being able to use both languages is better provided for by being integrated as a qualification for a particular job.

[*Translation*]

Mr. Pigeon: I have another question to put to the minister. I know that he is intelligent and that he will give a straight answer to my question. If an employee speaks both languages, does the minister agree to give him a bonus, that is an increased salary or a special incentive?

[*Text*]

Mr. McIlraith: I think the question as posed is unfair. Let me point out the reason for the difficulty about giving the kind of answer the hon. member wants. Suppose you have a requirement for elevator operators where no language is required to be used at all—

Mr. Pigeon: That is a bad example.

Mr. McIlraith: Does the hon. member suggest that one man has to be paid more than the other because of the language qualification? Surely that suggestion is not inherent in the hon. member's question.

[*Translation*]

Mr. Pigeon: Mr. Chairman, I should like to ask another question. Let us suppose that in the Department of Transport, for example, a branch director is bilingual, that is he can attend to the French speaking public as well as to the English speaking public. I should like the minister to tell us if he feels that it would be logical for such an employee to get a bonus or a special salary?

[*Text*]

Mr. McIlraith: No, because the factor of the bilingual requirement is taken into account in setting the qualifications for the position, and the salary for the position has already been increased compared with what it would otherwise have been, because of the requirement for that added qualification.

[*Translation*]

Mr. Pigeon: I ask another question: can the minister assure the house that the civil servant who speaks both languages will get an increased salary from this government?

[*Text*]

Close your mouth, or stand up to speak.

Mr. McIlraith: No, what I did suggest is that where this is a requirement for the position it carries with it a higher salary.

Mr. Ricard: I should like to ask a few questions of the minister. The hon. gentleman said there were special classes for civil servants to acquire a second language. Is he in a position to give us any information as to the number of civil servants who are taking these courses, and has he a breakdown showing us how many French speaking persons and how many English speaking persons are attending them?

Mr. McIlraith: No, I cannot give an answer offhand though I certainly would be glad to get the information for the hon. member. The courses seem to be in great demand and it is a matter of organizing them in order to meet the demand. I am sorry I do not have the detailed information.

Mr. Ricard: Can the minister not give us an idea of the numbers of those actually attending these courses?

Mr. McIlraith: I do not think I would wish to do so. I have been too long a member of the House of Commons to hazard that type of guess. But I will get the information.

Mr. Howard: May I say at the outset that I agree with the answer the minister has given in reply to the suggestion made by the hon. member for Joliette-L'Assomption-Montcalm about the payment of a premium or bonus if a person is bilingual. I think the minister's answer is a correct and reasonable one in view of the circumstances. If this were not the position taken by the minister and by the government, I would say that we in British Columbia would soon realize that in the case of an employee in the Department of Transport, for example, an official in the position of being an inspector of some sort, the ability to speak English and French equally well would be useless to him in his official capacity. He would be much better off if he were able to speak, say, English and Norwegian, or English and Haida, or English and some other Indian tongue. If there were to be premiums for bilingualism we would have to relate them to the effectiveness of being bilingual, and the advantage of being bilingual in English and French in Prince Rupert, for example, would be negligible as far as the performance of the job was concerned, and its relationship with the general public.

[*Translation*]

Mr. Pigeon: Mr. Chairman, the reason why I am asking this question is, of course, on account of the large number of Canadians who speak French, and when they exchange correspondence with Ottawa, they have the right, as taxpayers and because the French language is recognized as official at the federal level, to be served in their own tongue.

The minister gave a rather evasive answer and refused to commit himself. Mr. Chairman, I would like to ask the minister why the present government created a royal commission on biculturalism, why it is spending

fairly large sums of money to conduct a nation-wide inquiry, and all that if it refuses later to take a position and inform the house whether it favours an increased salary for bilingual employees. The Secretary of State advocated that many times. It is all very well to have royal commissions on biculturalism, but I feel the government is wasting the people's money and such inquiries are meant but to fool the public, as shown by the government's refusal to take a stand and say what it intends to do in the case of bilingual employees.

Here is a precise question I am asking the minister and I would like him to answer yes or no. Is it the government's intention to give a bonus to an employee who speaks both languages and holds an important position in the government service?

[*Text*]

Mr. McIlraith: Mr. Chairman, I think I have already given an accurate answer to the hon. member's question. The hon. member is trying to attach a bonus, or added payment, or whatever you call it, to the speaking of two languages. All salaries and all payments to all employees of the government service have been related to the duties they perform. They have been salaries for the work done or for the requirements of the position being filled.

I recognize as well as, or perhaps better than, the hon. member the necessity for having, in positions where there is any probability at all of a person having to speak either of our two main languages an employee who is able to converse in the two official languages. I recognize that better than the hon. member. In those positions certainly it will be a requirement of the position that, to the extent possible, if we can get the personnel to fill the positions, they will be filled by persons having mastery of the two languages. But I would point out to the hon. member that this was not the question he posed to me. He merely posed a question as to whether, in those other areas of the country in which there is no probability of a person being required to use the second of our two languages, either French or English as the case may be, a bonus would be paid to a bilingual person when no requirement exists in the position for this qualification. In other words, the language qualifications have always been related to the position and the requirements for the position. That is the way the added benefit will be received by particular employees.

[*Translation*]

Mr. Pigeon: Mr. Chairman, I realize that it is important for the civil service to hold a competition for a government job in order to know whether the applicant is qualified. But I would like to know from the minister whether he would deem it advisable to mention on the civil service commission's notices of competition that for the higher positions in the civil service a special treatment relating to salary, be granted bilingual employees?

Does he agree that such a reference should be made on the notices of competition of the civil service?

Mr. Habel: Have you ever asked that of your leader?

Mr. Pigeon: I did and it was granted on several occasions.

[*Text*]

Mr. McIlraith: Mr. Chairman, the payment made for all employees in the government service, so far as I know, has been made on the basis of payment for the position. This is the case with regard to all government employees. The payment has been for the work being done, the training and work required to be done, rather than for some personal reason in respect to the person receiving the payment. I would think that is a reasonable position. Certainly the persons who have discussed this very large and very important question with me have always put it forward on that basis. They consider that any added benefit required to encourage bilingualism should be on the basis of a required qualification for a position warranting a higher salary for the particular position. That is the situation.

[*Translation*]

Mr. Pigeon: Mr. Chairman, on March 5 last, the Minister of Justice (Mr. Favreau) said in Toronto that French Canadians employed by the federal government in Ottawa were frustrated and unfairly treated. I am, therefore, asking the minister whether he agrees or not with the views expressed by the Minister of Justice who said in Toronto that French speaking Canadians in the federal civil service were frustrated and unfairly treated?

[*Text*]

Yes or no.

Mr. McIlraith: Mr. Chairman, I think I have a right, as long as I comply fully with the rules, to answer a question in the way I wish to answer it and in the way that I think will do justice to the question. I cannot be circumscribed in the form of that answer by the wish or request of the hon. member, however much I may wish to please him. I think he should recognize that fact in asking me to answer a question. I will not for one moment accept the proposition that bilingual

staff in the civil service in Ottawa have been in any way frustrated, thwarted, or discriminated against.

Some hon. Members: Hear, hear.

Mr. McIlraith: They have been in great demand, to my certain knowledge, over a period of years.

[*Translation*]

I am very sorry, Mr. Chairman, that I do not understand the French language very well.

[*Text*]

It is a matter of great regret to me that I do not understand the language well myself. But I have had to deal with this problem, as a member from this area living among great numbers of civil servants for years, and I know it is not right to say that this section of the civil service has been thwarted, or frustrated, when the fact of the matter is that there is a great shortage of them and a great demand for them. There are opportunities for promotion open to them that are such as to capture the imagination of eager young people who want to advance themselves in the public service.

Some hon. Members: Hear, hear.

Mr. McIlraith: I myself, as minister in the former portfolio which I held, spent a great deal of my time seeking to find ways and means of getting more of them to come into the public service and serve those areas of the country, particularly the St. Lawrence river areas, where the positions required that the persons filling them should speak both languages. I can tell the hon. member that I did not find any source of supply that could nearly meet the demand. If he wants my statement to be backed up by my giving him the titles of the positions, it can be done.

That is the history of opportunity for bilingual civil servants in Ottawa. That is why I am so very pleased with the work now being done by the government, part of it through this estimate, in making available training facilities to enable present civil servants to become bilingual more readily. This is a need in our country that is very real; and it is a mistake to say that there has been any discrimination against or any frustration on the part of any section of the civil service on account of language. That simply is not so, and has not been the case.

Mr. Martin (Timmins): I should like to make a comment on this interesting and important point which has been raised. I believe the government should consider the creation of a new category within the civil service for those who are truly bilingual. I do not place in this category a person like myself; although I can understand and read French, I cannot express myself in the French language in the way I should like. The reason for this is simple; it is because I am thinking in English, and to be able to think in English and express myself with precision in French I would require training similar to that of the simultaneous interpreters we have in the chamber.

We have examples of what I mean in the civil service, and good examples here in the house. Some hon. members have not one person living in their constituencies who speak French. Other hon. members may not have one person living in their constituencies who speaks the English language. I think that if an hon. member of this type has a bilingual secretary, what happens after three or four years is that his bilingual secretary becomes a unilingual secretary. If you do not practise both languages constantly, sooner or later one of them is lost. I recall hearing a former member say that it is not enough to have a language in your head; you must also have it on your tongue before you become fluent.

Let me take as an example the riding of Danforth in Toronto. I do not think there is any need for the hon. member for Danforth to have a bilingual secretary. Similarly I do not think there is any need for the hon. member for Beauce to have a bilingual secretary. But for members from a constituency like mine, which is half French speaking and half English speaking, and in many other constituencies across the country similarly divided, I think there is a very definite need for a bilingual secretary. Many times I have difficulty and am put to delay and considerable personal expense in getting my letters translated so that I can reply to my constituents in the language with which they are more familiar. I can read their letters but I cannot write back without my words being correctly translated. If you do not know a language well and try to write it, it is easy to make a tragic mistake which can backfire badly.

I recall going to the United States not many years ago, and when I was near Boston, Massachusetts, I had occasion to go to a garage, the proprietor of which had a French name. I talked to him and found that he came not too far from where I was born and raised in the province of Quebec. He came from Magog, which is about the same distance from Sherbrooke as my town, but on the other side. I spoke to him in French and to my surprise he said he was sorry, that he did not speak French. He told me he had been there for eight years, it is unbelievable that a man can forget his mother

tongue in eight years. But that was true, and was because he never had the chance to speak French.

I think that where there is a need for a truly bilingual person in the civil service a special category should be created and a rate of pay offered as an encouragement. It is not the easiest thing in the world, particularly for a person from the far reaches of Canada, to prepare to handle a job of this kind. However, I think this is something which is needed, and needed badly, and people who have this facility are a great deal more valuable than those who have only the one language or the other. Therefore I think the government should consider the creation of a special category and provide a special rate of pay for people with this ability.

[*Translation*]

Mr. Pigeon: Mr. Chairman, as I said earlier, on March 5 last, in Toronto, the Minister of Justice brought a serious charge against the civil service commission. He stated that French speaking Canadians were frustrated, in other words, that they were discriminated against. Therefore, I would ask the minister this specific question: is it his intention to ask the Laurendeau-Dunton commission to make an inquiry within all departments of the federal government in order to determine whether his assertion is correct?

I believe that the Minister of Justice brought a serious charge which reflects upon the honesty and the reputation of the civil service commission regarding the way French speaking Canadians are treated.

Could the minister tell the house if he would approve of the Laurendeau-Dunton commission making a full inquiry in all federal departments not only in regard to conditions with respect to French speaking Canadians but also with respect to English speaking Canadians?

[*Text*]

Mr. McIlraith: Mr. Chairman, I do not know whether there is much I can usefully add to what I said previously. I read the text of the speech delivered by my colleague the Minister of Justice in Toronto with considerable interest and great care. My understanding of his speech is very different from that of the hon. member who has just spoken. If the hon. gentleman proposes to make these assertions about that speech I wish he would quote the text and refer to it precisely, because we are at variance as to the contents of the actual speech.

As to his second question, this royal commission has been appointed and its terms of reference placed before the house. That matter was dealt with at the time and I certainly do not think it would be proper for me to interfere with, or intervene in, its work. I certainly have not thought about intervention, so all I can say to the hon. member is that I will consider his rather novel suggestion. However, I do not offer him any encouragement or give him any reason to suspect that I will take any action other than to note his remarks and see whether there is anything to this point. I do not think this item is the place to discuss the work of this royal commission and the possible extension of its terms of reference.

[*Translation*]

Mr. Pigeon: Mr. Chairman, when, some time ago, I asked the Minister of Justice a question concerning the statement he made in Toronto on March 5, he did not deny anything, he said nothing about that.

Once again, and for the last time, I am putting the question to the minister. If he wants us to pass this item without any trouble, it is up to him to give a definite answer, yes or no.

This is what I am asking the minister: does the government intend to amend the Civil Service Act so that employees who speak both languages, that is French and English, and who get, say, $4,000 or more a year may have a special bonus, that is a special payment, as advocated by the Secretary of State during the last election campaign?

If the minister refuses to answer categorically, clearly and plainly to my question, we will keep the minister on this vote for a week.

Mr. Habel: Well, this is blackmail.

Mr. Prud'homme: Yes, it is blackmail.

[*Text*]

Mr. McIlraith: I do not know whether the committee would respond kindly to such a naked threat as that. I do not think the hon. member quite appreciated the nature of his threat and I would hope, when he thinks it over, he would modify it.

Mr. Pigeon: No, that is serious.

[*Translation*]

No, I am asking the minister to tell me whether, as advocated by the Secretary of State, the government intends to grant a special bonus to bilingual employees, because they speak both languages?

I would like to know exactly what the minister thinks—

Mr. Deschatelets: What did you do during the six-year period you were in power?

Mr. Pigeon: —and I do not want the Minister of Transport (Mr. Pickersgill) to answer me, but the minister of—

Mr. Deschatelets: What did you do during the six-year period you were in power?

[*Text*]

Mr. Pickersgill: Mr. Chairman, I am rising on a point of order—

Mr. Pigeon: I have a point of order, Mr. Chairman. It is not because you are on the government side you have more right than I.

The Deputy Chairman: The Minister of Transport on a point of order.

Mr. Pigeon: I have a point of order.

The Deputy Chairman: The Minister of Transport on a point of order.

[*Translation*]

Mr. Pigeon: If the Minister of Public Works (Mr. Deschatelets) wishes to speak to the house, all he has to do is to rise.

Mr. Habel: It is none of your business.

Mr. Pigeon: If the hon. member for Cochrane (Mr. Habel) also wishes to speak in this house, all he has to do is to rise and to let us hear him.

[*Text*]

The Deputy Chairman: Order. The Minister of Transport.

Mr. Pickersgill: Mr. Chairman, I am raising a serious point of order, and it is that we are considering the estimates of the civil service commission, the supplementary estimates, the additional sums required to carry on the services about which the policy is already determined. Your predecessors in the chair have on many occasions ruled, particularly on supplementary estimates, that the discussion must be relevant to the estimate.

I have never before heard any member of the committee successfully maintain that until an estimate should be passed the government must declare some policy, on which the government itself had not necessarily reached any conclusion. To suggest that the estimates will not be passed until the government adopts a new or different policy is making, as my colleague the president of the council suggested, a kind of threat that I am sure the hon. member, who is a very amiable hon. member most of the time, never seriously intended to make, because the hon. gentleman is not at the moment in the government.

He is not at the moment a member or even a supporter of the government. Until this government is defeated, it has the responsibility for formulating policy, and then the house can decide whether it approves that policy or not. It is a very strange doctrine to suggest on a supplementary estimate, when the rules are very clearly stated that discussion must be strictly relevant to the particular item, that the government has to make a declaration about a policy that has not been formulated at all. I am sure that on reconsideration the hon. gentleman would not wish to persist in that sort of course.

[*Translation*]

Mr. Pigeon: Mr. Chairman, after the statement made by the Minister of Transport, I feel that the government is dishonest—

Some hon. Members: Oh, oh.

Mr. Pigeon: —and is behaving hypocritically towards the Canadian people.

Thousands of dollars are now being allocated for a royal commission on biculturalism and bilingualism—

Mr. Favreau: Mr. Chairman, I rise on a point of order. I think that the Chair should make a ruling on the point of order just raised by the Minister of Transport. After all, as the latter pointed out, we are now considering supplementary estimates.

Vote No. 1e is made up of four particular items none of which can justify a debate of the kind in which the hon. member for Joliette-L'Assomption-Montcalm is presently engaged.

Therefore, I am of the opinion that, if we want the house to consider the supplementary estimates, in a constructive way, as the opposition claims it wants to do, then let us address ourselves exclusively to the vote under consideration.

Mr. Ricard: On the point of order, Mr. Chairman. It is the practice, I believe, when supplementary estimates are under consideration, to have a general debate on vote No. 1, and that is what is happening at this time. To shorten the debate, after it has been going on for more than half an hour, would mean that a new method is being used to prevent us from dealing with the question under study.

I believe that the Minister of Justice will admit that by carrying out his suggestion he would simply prevent us from obtaining information with respect to the civil service and to some methods which are followed within the service.

[*Text*]

The Deputy Chairman: Order. I should like to make some comment relevant to the point of order raised by the Minister of Transport. I think members of the committee will agree a good deal of latitude has been given this evening regarding vote No. 1e, but if the debate is to proceed certainly the Chair will have to ask all members to be particularly

relevant to the item before the committee. I would ask the hon. member for Joliette-L'Assomption-Montcalm, if he wants to continue his remarks, to have them relevant to the item before the committee.

[*Translation*]

Mr. Pigeon: Mr. Chairman, I will abide by your ruling. However, I feel that the item under consideration allows me to make some general remarks.

Since the Minister of Justice got up to call me to order, and I think he did it in good faith, I wish to ask him—Mr. Chairman, I will wait until the Minister of Justice has stopped talking with his colleague.

I ask the Minister of Justice to tell us whether it is true that on March 5 last, he stated in Toronto that French Canadians were frustrated by the civil service commission in Ottawa. I ask the minister to give me an answer. If he answers me, we will cooperate and I will be pleased to facilitate, if need be, the adoption of the estimates.

Mr. Favreau: Even though this has nothing to do with any of the four items under study, I must say that I have too much faith in my hon. friend's intelligence to believe that he would speak as he does after having read my speech.

I shall then make a point of sending him a copy.

Mr. Pigeon: Mr. Chairman, the statement—

[*Text*]

The Deputy Chairman: The hon. member for Skeena.

Mr. Pigeon: O.K. I will come back, don't be worried.

Mr. Pickersgill: Go and get the speech.

Mr. Howard: That sounded like a threat to the Chair. It is always pleasant to listen to the volatile Union Nationale member from Joliette-L'Assomption-Montcalm.

An hon. Member: This is an honour you don't have.

Mr. Howard: I do not know if I would use the words "honour" and "Union Nationale" in the same breath.

Mr. Pigeon: Come to my riding and say that and you will be defeated. You will lose your deposit.

Mr. Howard: If that is an invitation from the hon. member even to set foot where he is, I must decline.

Mr. Pigeon: You are so stupid, you know.

Mr. Howard: Mr. Chairman, I do not know if *Hansard* caught that, but there was some reference to stupidity by the hon. gentleman.

Mr. Pigeon: I hope it did.

Mr. Howard: I must say he is a master of that himself and undoubtedly will know what it means more than I do. I should like to ask the minister who is handling these estimates a question concerning the operations of the civil service commission having to do with the manner in which it establishes so-called eligibility lists for vacant positions. I do not know if I am using the right term, but apparently if a vacancy is posted people can bid on that particular job and then take an examination of some sort. Following the examination a list is established of the people eligible for that particular position. What policy is there with regard to the length of time that such an eligibility list is valid after it is originally established?

Mr. McIlraith: Appointments, as the hon. member knows, are made from the top of the list when the list is established. Normally the list is retained for one year. The period of time for which a list remains valid is determined by the commission itself but my understanding is that normally it is a year, although in the case of a large class where there is a very long list and few have been called the commission may maintain the list for a longer period, and sometimes does.

Mr. Howard: I wish to object to the procedure of establishing closed eligibility lists even for a period of a year, and I would certainly object even more strongly to establishing them for a longer period of time. I am aware of an instance or two in this field and it was because of them that this matter first came to my attention.

Presumably the process of opening up a vacancy to competition is to give people who feel they are qualified the opportunity to bid for the job, and the person who establishes qualifications greater than those of the other contestants is posted to the position. But when you maintain a list of this sort in existence for a period of one year you are then preventing, should a vacancy occur in the same position, anybody else from bidding for the particular job, because a list has been established and that is it. It is closed and it is valid for a particular period of time.

In some cases this works to the detriment of individuals. I know of a case in point about which I have had correspondence with the commission. The circumstances were that a position became vacant and was filled. Then the job subsequently became vacant again within a very short period of time because the person who originally filled it was promoted to a higher position. A woman working in the same section of the department, who knew the office procedure, the personnel, the

problems and so on, asked for the right to bid on the particular job and was advised she could not because there was a closed list in effect. The next eligible person on that list lived in a community some 500 miles away by air and 900 miles away by road, and the woman who wanted to bid on the job was told she would have to wait to see whether this woman who was some 900 miles away by road was going to take it.

The hon. member for Winnipeg North Centre has just complained to me, Mr. Chairman, that I am speaking so loudly he cannot hear the hon. member for Joliette-L'Assomption-Montcalm.

This woman found herself prevented from even bidding for the vacant position, because of this closed list. I think this is unduly restrictive and interferes with what I consider to be the normal and reasonable right of a person, under the civil service structure, to bid for a job and to take a test to see whether or not he or she can fill the particular position.

Perhaps the maintenance of an eligibility list for a period of a month would not be an unreasonable interference with a person's right to bid for a new job, because I can see that all sorts of difficulties might arise when a person takes a new position. Although he has passed the test and qualifies for the position some difficulty may develop, with the result that he cannot fill the position or, as was the case in this instance, he may be promoted to a higher position. There are a variety of difficulties which might crop up and could result in the person's being found unsuitable or leaving the job within a period of a month, and it might result in unnecessary expense if the whole process of conducting a competition had to be gone through again.

But a one year period is far too long a time to maintain an eligibility list. I think people in the public service would be treated much more fairly if the minister, or somebody else, would take steps to see that the length of time eligibility lists are maintained is considerably shortened. In this way the right of the individual employee, according to what I understand is a principle of the operations of the civil service commission, to bid for a vacant, more senior and higher paid position and to enter into a competition with others for the particular job would be preserved. Once you have a list established you interfere with this principle for at least that period of time.

Mr. McIlraith: Mr. Chairman, it seems to me that this large and rather important aspect of the hiring practices of the civil service commission is one that should be debated when the minister to whom the commission is answerable is presenting his main estimates.

Rather than attempting to argue the matter now I would prefer to leave it for debate and discussion at that time. However, I will see that the point raised by the hon. member is drawn to the attention of the minister specifically concerned.

Mr. Howard: I have communicated these views to the commission in a much shorter form, because they are contained in a letter and I wanted to express them publicly. I did not really expect to enter into conversation with anyone as to the propriety of my suggestion. I simply wished to air the matter publicly so that it would be on the record. The minister has indicated that cognizance will be taken of the point and I hope that some alteration will be made as a result.

[*Translation*]

Mr. Pigeon: Mr. Chairman, everybody knows that French speaking employees earning $5,000 or more a year, in all the federal departments, represent about 5 per cent of the total.

When the Minister of Justice made his statement in Toronto, the civil service association raised protests. If the Minister of Justice made such a statement, it was certainly justified.

It is for that reason that I am asking the government what they intend to do to correct or improve this situation. We all know that during the last election campaign, the Secretary of State and others travelled throughout the province of Quebec stating that the French speaking civil servants were discriminated against and did not have a fair share of positions. Well then, I am wondering what the government intends to do to remedy this situation.

As I said before, the government has spent hundreds of dollars to create the royal commission on biculturalism in order to try and find a solution to the problem, but in practice, the present government refuses to face up to its responsibilities and to take positive action.

Let me give an example, if I may. During the last session, the Minister of Industry appointed two deputy ministers, neither one was French speaking. I ask the minister once again whether he intends to carry out the suggestions made by the Secretary of State during the last election campaign, in view of the fact that those undertakings were published in all French newspapers. Does the minister intend to give a bonus or a special pay rate to bilingual Canadians, whether they be French or English speaking? I should like to have a specific answer from the minister; otherwise, we would have to force the government to state its position, even if we have to discuss this item for three weeks.

The Chairman: Shall the item carry?

Mr. Pigeon: No. I would like to know from the Minister of Justice, who is responsible for the fair treatment of all Canadian citizens and who has the great responsibility of administering justice in the country, whether he intends to implement the promises made by the Secretary of State to the effect that bilingual Canadians—of either French or English origin—employed by the federal government should get an increased salary when they speak two languages and possess two cultures.

Mr. Chairman: Is the item carried?

Mr. Pigeon: No, Mr. Chairman. I would like to say this: I know that most members on the government side do not agree with the views expressed by the Secretary of State and do not want by any means that the French culture should spread in the civil service and that bilingual Canadians should take their rightful place within the civil service, whether they are French or English speaking.

But what I cannot understand is that, during the last election, the Secretary of State made promises throughout Quebec, saying that if the Liberals came into power, bilingual Canadians would get a fair treatment and benefit from a special bonus for being able to speak both languages.

It is all very fine to have a royal commission on bilingualism and to try rousing Canadian opinion from sea to sea, but I think that it is high time for the government to go ahead and take some action. The government should tell us what it intends to do, whether it means to keep the promises made by the Secretary of State and grant a special bonus to bilingual employees in the federal civil service to those in the higher positions.

That is what we want to know. Even if the members sitting on the treasury benches try to have this item rushed through, I want to obtain a precise answer, I want the responsible minister to simply tell us: we shall grant a special bonus to bilingual employees or we shall not.

The Chairman: Order.

Mr. Lessard (Lake St. John): The hon. member for Joliette-L'Assomption-Montcalm would perhaps agree to reply to a question? Could the hon. member assert that the members of his party will give his request for a special bonus for bilingual civil servants, the same support he is requesting from the Liberal members?

I think his party, in this respect, did not give more, and he should not ask for more.

Mr. Pigeon: I am happy to belong to this group, because my leader, when he was in power, presented the Canadian Bill of Rights and granted equal rights to all the citizens in this country. More especially—

Mr. Lessard (Lake St. John): I wish I had a direct reply.

Mr. Pigeon: —more especially—I shall give you an example. When we were in power, we appointed Mr. Chagnon—

Mr. Habel: Yes or no?

Mr. Pigeon: Yes. We appointed Mr. Chagnon associate deputy minister of agriculture and we gave him responsibilities equal to those of the deputy minister.

Mr. Habel: Name some more.

Mr. Pigeon: A few weeks later, there was a change in government and I can tell you that, in the federal Department of Agriculture, Mr. Chagnon can no longer make any decisions.

An hon. Member: That is false.

Mr. Pigeon: He has no responsibilities at present and he did complain about that.

The Chairman: Order. The hon. member wanders somewhat from the item now under study.

Mr. Pigeon: I do not think I am wandering from the subject, because I am entitled to speak of a particular department and a particular official, since we are studying an item concerning the civil service commission. I am entitled to speak about this.

The Chairman: The hon. member will admit that I was merely trying to help him by making this remark.

Mr. Pigeon: Would you please repeat, Mr. Chairman? I did not understand.

The Chairman: The hon. member will recognize that I was trying to help him.

Mr. Pigeon: I want to emphasize that I hold you in high esteem, but you certainly wanted to help the house, and perhaps more especially the government, which is very embarrassed by the statement made a few months ago to the effect that a special bonus should be given—

[*Text*]

The Chairman: Order; is the hon. member for Skeena rising on a point of order?

[*Translation*]

Mr. Howard: Mr. Chairman, may I call it ten o'clock.

[*Text*]

Progress reported.

Resolution adopted in committee of supply this day reported and concurred in.

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

Supply—Items Passed

[The following items were passed in committee of supply this day]:

DEPARTMENT OF EXTERNAL AFFAIRS

A—Department—

1e. Departmental administration including the expenses of the North Atlantic Treaty Organization ministerial meeting in Canada, May, 1963, $56,000.

10e. Representation abroad—Construction, acquisition or improvement of buildings, works, land, equipment and furnishings, $225,000.

15e. Canada's civilian participation as a member of the international commissions for supervision and control in Indo-China, $6,000.

External aid office—

99e. Contribution to the Canadian Red Cross in aid of disaster victims in east Pakistan, $10,000.

101e. Purchase and shipment of trivalent oral polio vaccine to the government of Barbados as a gift, $5,500.

102e. Contribution to the Canadian Red Cross to assist in the relief of victims of the earthquake in Yugoslavia, $10,000.

103e. Emergency relief in the form of canned hams and powdered skim milk to the government of Brazil, $5,000.

104e. Contribution to emergency relief in the Caribbean islands, $20,000.

Other payments to international organizations and programs—

115e. Assessment for membership in the international (including commonwealth) organizations that are detailed in the estimates, including authority to pay such assessments in the amounts and in the currencies in which they are levied, notwithstanding that the total of such payments may exceed the equivalent in Canadian dollars, estimated as of February, 1964, which is, $977,500.

117e. Assessment towards financing the United Nations emergency force in the amount of $551,979 U.S., for the period January 1, 1964 to December 31, 1964, notwithstanding that payment may exceed or fall short of the equivalent in Canadian dollars, estimated as of February, 1964, which is, $596,200.

125e. Payment to the international civil aviation organization in part reimbursement of compensation paid to its Canadian employees for Quebec income tax for the 1962 taxation year, $6,100.

146e. To reimburse the agricultural products board for the export value of skim milk powder donated to international relief agencies, $490,400.

147e. Contribution to the gift program for the United Nations building in Santiago, Chile, $10,800.

149e. Assessment towards financing the Laos international commission, $84,100.

Loans, investments and advances—

L17e. Additional advance to the working capital fund of the Food and Agriculture Organization of the United Nations, in an amount of $3,268 U.S., notwithstanding that payment may exceed or fall short of the equivalent in Canadian dollars, estimated as of February, 1964, which is, $3,600.

DEPARTMENT OF CITIZENSHIP AND IMMIGRATION

Immigration branch—

35e. Trans-oceanic and inland transportation and other assitsance for immigrants and settlers, subject to the approval of treasury board, including care en route and while awaiting employment; and payments to the provinces pursuant to agreements entered into, with the approval of the governor in council, in respect of expenses incurred by the provinces for indigent immigrants, $230,000.

Indian affairs branch—

50e. Indian agencies—Construction or acquisition of buildings, works, land and equipment including expenditures on works on other than federal property, $43,000.

60e. Welfare—Operation and maintenance including grants and contributions as detailed in the estimates, $25,000.

70e. Economic development—Operation and maintenance including the grants and contributions detailed in the estimates, $65,000.

Immigration branch—

20e. Administration of the Immigration Act, $133,800.

30e. Field and inspectional service, abroad, $134,800.

HOUSE OF COMMONS

Friday, April 3, 1964

The house met at 11 a.m.

DOMINION-PROVINCIAL CONFERENCE

TABLING OF OPENING STATEMENT BY PRIME MINISTER AND FINAL COMMUNIQUE

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I should like to table copies in English and in French of the communique of the federal-provincial conference held this week in Quebec city, and copies in English and in French of the opening statement which I made dealing with conditional grants and shared cost programs. I propose to make a more extended statement on the conference itself on Monday; meanwhile members will have these documents before them for examination over the week end.

[*Later:*]

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I ask the Prime Minister a question concerning the documents arising out of the federal-provincial conference which he tabled this morning? The right hon. gentleman said we would have them over the week end. In what way? Are they being made an appendix to *Hansard* or are copies being supplied to members?

Right Hon. L. B. Pearson (Prime Minister): I am sorry. I should have inquired whether the house would like to have these documents appear as an appendix to *Hansard*. I meant to have done that.

Mr. Knowles: I suggest that that be done. Is that agreed?

Some hon. Members: Agreed.

Mr. Speaker: Order. Is it the wish of the house that the documents tabled by the Prime Minister this morning be printed as an appendix to *Hansard*?

Some hon. Members: Agreed.

[*Editor's note: For text of documents above referred to, see appendix.*]

BUSINESS OF THE HOUSE

On the order: Motions:

March 27—The Prime Minister:

That, immediately after royal assent has been given to the bill providing for the appropriation based on supplementary estimates (E), this house adjourn until Monday, April 6, 1964.

Mr. Speaker: Motions. The Prime Minister. Stand?

Mr. Pearson: Stand.

Mr. Howard: Mr. Speaker, would it not be appropriate to withdraw this motion?

Motion stands.

DOMINION-PROVINCIAL CONFERENCE

INQUIRIES RESPECTING MATTERS DISCUSSED AND STATEMENTS MADE

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, while the Prime Minister has said that he intends to wait until Monday, I am sure the house would welcome some statement today regarding the conference in Quebec city, which turned out to be—

Some hon. Members: Question.

Mr. Diefenbaker: —a fiasco. I should like to ask the Prime Minister, with reference to the pension plan, whether he is now in a position to tell the house that the plan will be proceeded with even if two provinces do not participate. For I recall that on March 14 he stated that the absence—

Some hon. Members: Question.

Mr. Diefenbaker: —of two provinces would destroy the possibility of this bill. Will the government go ahead with the bill regardless of how many provinces may enter the scheme?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I will ignore the right hon. gentleman's introduction to his question about the conference except to say that I recognize his authority to speak on conference fiascos.

Mr. Diefenbaker: This one is a superlative example.

Mr. Pearson: As to his particular question, I am glad to inform the right hon. gentleman that the government intends to proceed without delay with the consideration of the Canada pension plan, and nothing happened at the Quebec conference which will interfere with our desire, indeed our determination, to get this plan into action.

Mr. Diefenbaker: Mr. Speaker, I would ask the Prime Minister whether, if two or more provinces do not join the plan, his determination is equally certain.

Mr. Pearson: Mr. Speaker, the right hon. gentleman's hypothetical question does not affect our determination to proceed with this matter.

Mr. T. C. Douglas (Burnaby-Coquitlam): In welcoming the Prime Minister's statement that the government will proceed with the Canada pension plan, may I ask him this. If the two senior provinces decide to stay out, will the right hon. gentleman consider reverting to the terms and conditions which were outlined on July 18 last rather than following the terms which are now on the order paper, in view of the fact that this modification was made largely to ameliorate some of the difficulties which obtained between the federal and provincial governments?

Mr. Pearson: That, of course, is also a hypothetical question, though it is an important one. When the hon. gentleman talks about provinces staying out, I would remind him that only one province has indicated its intention to proceed with its own plan. We are proceeding on the assumption that there is only one province which has indicated such an intention and that, therefore, nothing has happened which would alter our determination to go ahead with our own plan.

Mr. Douglas: I certainly hope the Prime Minister's statement proves to be true. But does he not take the statement by the premier of Ontario as indicating that Ontario may follow the course proposed by the province of Quebec?

Mr. Pearson: I did not interpret the statement in that way. If the hon. member reads the text of what was said at the press conference given by the premier of Ontario he will see that the premier did not commit himself to any course of action. He has not committed himself to any course of action since we first introduced our plan.

Mr. Barry Mather (New Westminster): I wish to direct a question to the Prime Minister. Perhaps the right hon. gentleman would like to take it as notice and deal with it when he makes his full statement on Monday. The federal and provincial administrations have, as I understand it, agreed to establish a joint ministerial committee to review finances. My question is, will the third level of government be included in such consultations?

Mr. Pearson: In federal-provincial committees and meetings of the kind to which the hon. member has referred it has been the custom in the past and, I think, the constitutionally appropriate custom, to have the municipalities represented by the provinces to which they are responsible. If there is to be any change in this constitutional procedure, that change would have to be made by agreement with the provinces. Indeed, I think it would have to be initiated by the provincial governments.

Mr. Diefenbaker: In connection with that plan to convene a conference representative of the federal and provincial governments, if I understood the Prime Minister correctly he indicated at his press conference last night that all the provinces had agreed to this plan. I would ask him whether Premier Lesage did not say last evening, in his statement to the press, at the bottom of page 1, after referring to the interpretation of the projects:

> Be that as it may, I merely say we would like to give further thought to this question before making a statement.

I ask the Prime Minister this. Did he or did he not have an assurance from Premier Lesage, as he apparently indicated in his statement last evening, that the province of Quebec would participate in these conferences?

Mr. Pearson: The premier agreed with the communiqué in which the nature of this inquiry was set out and its desirability was referred to. Premier Lesage joined the other premiers in welcoming such an inquiry. He has not yet indicated the intention of his government to participate in the actual membership of the committee itself. He is waiting to hear from us as to the nature of the committee and the kind of representation, and he has informed us, as he informed the press conference yesterday, that he would then decide whether Quebec would actually participate in the representation on the committee.

[*Translation*]

Mr. Raymond Langlois (Megantic): Mr. Speaker, I should like to direct a question to the Prime Minister.

There were reports coming from the federal-provincial conference to the effect that the federal government would transfer a larger share of direct taxation to the provinces. Could the Prime Minister tell us whether that policy would apply only to provinces not taking part in the health insurance program or to all provinces?

[*Text*]

Mr. Pearson: Mr. Speaker, there would be no distinction made with regard to any province in this matter.

[*Later:*]

[*Translation*]

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, should the Quebec government impose double taxation, could the Prime Minister now tell us if the Liberal government in

Ottawa intends to withdraw proportionately from that tax, which would apply in Quebec, as was the case in 1954 under this same Liberal party?

[*Text*]

Mr. Pearson: Mr. Speaker, that is a matter of government policy. No consideration has been given to it and no consideration can be given to it, of course, until we find out what the plans of the government of Quebec are.

[*Translation*]

Mr. Lessard (Lake St. John): Mr. Speaker, does the government intend to study the policy advocated by the previous Conservative government to the effect that direct taxation would be proportionately handed over to the provinces at the rate of 1 per cent per annum at present or does it intend to put directly at 20 per cent the transfer to the provinces out of the revenue of direct taxation?

[*Text*]

Mr. Pearson: Mr. Speaker, this is a matter of policy which will have to be considered.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister. I wonder whether the Prime Minister can match the assurance he has given us about the Canada pension plan by confirming the government's intention to go ahead at this session with its announced intention to extend family allowances to those 16 and 17 years old?

Mr. Pearson: Mr. Speaker, we have heard nothing on this point which would warrant any intereference with or any delay in the plans we have put forward. However, this matter did come up at the conference, as my hon. friend knows, and in the communiqué the federal government merely stated that it would study the views expressed by all the premiers on this matter at the conference.

Mr. Douglas: A supplementary question, Mr. Speaker. Does this apply also to the matter of student loans; and in view of the fact that the premier of Quebec has indicated the intention of his government to appeal this matter to the courts, is it the thought of the federal government that there might be a reference to the Supreme Court of Canada to determine the question of the constitutionality of these measures?

Mr. Pearson: That would be one way to clear up this matter. I think I should add that we would not have introduced these proposals if we had had any doubt whatever as to their constitutionality.

Mr. Diefenbaker: Mr. Speaker, the Prime Minister has just made a summary statement, and in that connection I ask him this question. Is it the opinion of the government, received from the law officers of the crown, that the system of loans proposed in the speech from the throne is entirely within the competence of the federal parliament?

Mr. Pearson: Yes, Mr. Speaker, I have just said that, and I am glad to repeat that we think this is within the competence of the federal parliament, particularly in view of the procedure we intend to propose whereby these loans will be made to individuals through the banks with the federal government guaranteeing the banks.

Hon. Theogene Ricard (St. Hyacinthe-Bagot): A supplementary question to the Minister of Finance, Mr. Speaker, with regard to the family allowances to be paid to 16 and 17 year old students. Were the provincial governments consulted before the minister decided to enter this field?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, there were no consultations with outside people, including the provinces, before the presentation of the budget.

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I wish to direct my question to the Prime Minister. Does he intend to withdraw or amend the bill concerning loans to students as a result of the protests of certain provinces?

[*Text*]

Mr. Pearson: I have already dealt with that matter.

Mr. Douglas: May I put a question to the Minister of Finance. In view of his offer to the provinces at the federal-provincial conference at Quebec city, that the federal government is willing to withdraw from the hospital insurance plan and will grant the provinces a 13 per cent abatement of personal income tax for taking over this program, does this mean the federal government has forsaken the idea of extending the hospital insurance program into a comprehensive federal health insurance program?

Mr. Gordon: In the first place, my hon. friend has put words into my mouth that I have not uttered. There have ben discussions about contracting out of a number of the shared cost programs including hospital insurance. The formula for arriving at fiscal compensation for such contracting out has not yet been settled. I do not think I can add anything more in answer to the first part of my hon. friend's question.

As to the second part of the question, this is a matter of government policy upon which I am not in a position to comment at this time.

Mr. Douglas: May I ask the minister whether or not one term for granting the abatement of personal income tax to any province contracting out will be the condition that they must continue to give reciprocity to other parts of Canada with reference to hospital insurance?

Mr. Gordon: There was some discussion on the part of the provinces, particularly by the province of Quebec, on this point. They made it very clear that if they did contract out they would provide reciprocity and an exchange of services with the other provinces. They pointed out also that they would continue the plan.

Mr. Douglas: That is not the question I asked the minister. Would this be a condition which the federal government would impose upon granting them an abatement of personal income tax? Would this be done only if they were willing to continue reciprocity with the other provinces?

Mr. Gordon: In answer to the hon. member's first question I said that the terms and conditions have not yet been settled, so I think it would be premature for me to comment on one particular condition which is something that I am sure will be given the closest consideration.

[*Later:*]

Mr. Knowles: Mr. Speaker, may I direct a question to the Prime Minister. My question is related to the subject of the hospital insurance plan to which reference has already been made. Would it not be a good idea to defer any alterations in that plan until we have the report of the royal commission on health services, particularly in view of reports that this commission may well recommend a nation-wide health insurance scheme?

Mr. Pearson: Mr. Speaker, I appreciate the point the hon. gentleman has made, that no changes should be made in matters of this kind before the report is received, and indeed there is to be a meeting of provincial ministers of health and the federal Minister of National Health and Welfare very shortly. I take it the hon. member's question is referring, however, to a change in the plan and not to a formula with one province contracting out of the plan.

[*Later:*]

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a question for the Minister of Justice which he may want to take as notice. As one of the ministers charged with the responsibility of negotiating with the Quebec government in connection with the administrative transfer of Eskimo responsibilities, can he advise the house whether this was discussed at the recent federal-provincial conference, and whether Mr. Levesque and his government have given their consent to having the agreement brought before parliament for consideration?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, it was not discussed either before or after the conference.

[*Later:*]

[*Translation*]

Mr. Lessard (Lake St. John): Mr. Speaker, I should like to direct a question to the right hon. Prime Minister of Canada. Does he share the opinion expressed by the premier of Ontario to the effect that representatives, in Ottawa, of the provinces which will not participate in the Canada pension plan should not be allowed to express in the house their views on that subject nor vote nor move any amendment whatever?

Since half the government is made up of members from the province of Quebec, does the Prime Minister share the opinion of the Ontario premier?

[*Text*]

Mr. Pearson: Mr. Speaker, I do not think I should be asked whether I share the opinion of the premier of a province, especially an opinion which I did not hear him express in Quebec.

[*Later:*]

Mr. A. B. Patterson (Fraser Valley): Mr. Speaker, according to reports in the newspapers certain discussions took place at the conference relative to offshore mineral rights. I should like to ask the right hon. Prime Minister whether any decision has been made as to the procedure to be followed in resolving the dispute over offshore mineral rights.

Mr. Pearson: Mr. Speaker, this matter was raised by the premier of Nova Scotia at the end of the conference and received rather brief discussion in the circumstances. I informed him, as I am glad to inform the house, that this matter is under consideration. It is a very important matter both legally and economically. It affects not only Nova Scotia but a good many other provinces, and affects them in rather different ways. It is complicated, but we are proceeding with our examination and hope to be able to work out a satisfactory conclusion which may make unnecessary a reference to the courts.

[*Later:*]

[*Translation*]

Mr. Gerard Girouard (Labelle): Mr. Speaker, I should like to direct a question to the Minister of National Health and Welfare.

Does she agree with the premier of Ontario when he intimated in Quebec city that the pension plan introduced by the province of Quebec is better than the one put forward by the federal government.

[*Text*]

[*Later:*]

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I hope you will give me your consideration in addressing a question to the Prime Minister which I think is of the utmost urgency. In view of the experience of the Prime Minister at this recent provincial-dominion conference and others, would he take under consideration the calling of a dominion-provincial conference of an enlarged character, including both governments and oppositions, in order to try to bring down to a definite basis, not in two or three days but after the necessary consideration, the future of Canada as a nation, so that we can get away from all this provincialism, parochialism—

Mr. Diefenbaker: Socialism?

Mr. Winch: —and all the rest of it which affect not only the people but the provinces and country as a whole? I think this is an urgent matter in which most of us are very interested. Is it possible in view of your responsibility as Prime Minister, sir, to give this type of leadership to Canada by calling such a conference with such purpose in view?

Mr. Pearson: Mr. Speaker, the hon. gentleman has indicated to the house the urgency he attaches to this matter, and it is an urgency shared by all of us. But I am sure he would not expect me to deal with such a fundamental question as that on orders of the day.

Mr. Winch: Will you take it under consideration, sir?

Mr. Pearson: I will be very glad to take it under consideration.

[*Later:*]

Mr. E. Nasserden (Rosthern): Mr. Speaker, I should like to direct a supplementary question to the Prime Minister arising from his government's repeated proposals for contracting out of national programs. How long does the Prime Minister think it will take his government to complete the separation of Quebec from the rest of Canada?

Mr. Pearson: Mr. Speaker, that is the kind of question which is not designed to strengthen national unity and should not be asked by the hon. gentleman.

Mr. Nasserden: Mr. Speaker, does—

Mr. Speaker: Is the hon. member asking a new question? There is no supplementary involved.

Mr. Nasserden: This is following upon the answer I received from the Prime Minister. Does the Prime Minister not think that suggestions which promote the contracting out of national programs do more to disunite this country than anything else done in recent Canadian history?

Mr. Pearson: No.

Mr. Langlois: On a point of privilege, I think the hon. member on this side of the house should probably go and work for Mr. Robarts in Ontario and start converting the Conservatives instead of the people from Quebec.

[*Later:*]

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I have a question for the Prime Minister. In view of the fact that several members have asked questions this morning with regard to the federal-provincial conference, can the Prime Minister tell us whether the last federal-provincial conference has been helpful in strengthening national unity or rather has resulted in further complications?

[*Text*]

Mr. Speaker: This question is out of order.

[*Translation*]

Mr. Henri Latulippe (Compton-Frontenac): Mr. Speaker, my question is directed to the right hon. Prime Minister.

Does the government intend to bring about a reform of the constitution which would take into account the present problems or will we allow it to fall apart without trying to find real solutions to such problems?

[*Text*]

Mr. Speaker: Once more, these questions are purely hypothetical.

[*Later:*]

[*Translation*]

Mr. Langlois: Mr. Speaker, referring to the question I put a moment ago to the Prime Minister, I wish to say that the answer he gave does not tally with that of the Minister of Finance (Mr. Gordon). I asked him what was the policy of the government in the case of provinces who asked that direct taxation powers be returned to them and if the policy

would apply to all provinces even though they are not participating in joint health insurance programs?

The Prime Minister answered then:

There would be no distinction made.

Could he give us a more elaborate answer, since the Minister of Finance has not heard anything about that yet?

[*Text*]

Mr. Speaker: I feel it my duty to interrupt. That type of question is, in my opinion, out of order at this time. The Prime Minister has already stated that he will make a detailed statement on Monday. He has suggested that members read the papers which he has filed this morning. May I suggest to the hon. member that he wait, read those papers and listen to the statement.

[*Later:*]

[*Translation*]

Mr. Pigeon: Mr. Speaker, may I direct a question to the Minister of Justice?

Since there are serious differences of opinion between the provinces and the federal government regarding certain fields of jurisdiction and powers, does the Minister of Justice propose to call a federal-provincial conference in order to find a way to revise or re-think the Canadian constitution and define the respective limitations of the various governments?

Mr. Favreau: Mr. Speaker, although I do not agree with the first part of my hon. friend's question, I can say that if and when the government decides to take such action, it will be announced in the normal way.

[*Text*]

[*Later:*]

Mr. Donald MacInnis (Cape Breton South): I have a question for the Prime Minister. Should the legislation on the Canada pension plan be brought forward after a final decision has been made by Ontario to contract out, if that is its intention, and in view of the fact that Quebec has already opted out, does the right hon. gentleman not think that the house will be put in a most awkward position in that members from Quebec and Ontario, the majority of members in this house, will be dealing with legislation which in no way affects their provinces but which does have a definite effect on the other provinces involved?

Mr. Pearson: That is a hypothetical situation which I hope and believe will not arise.

[Mr. Langlois.]

[*Translation*]

Mr. Latulippe: Mr. Speaker, I should like to put a question to the Minister of Finance concerning the federal-provincial conference just ended.

Since the whole thing apparently amounts to nothing but a real financial problem, could the minister tell the house if he is thinking of reforming the financial system or remaining at odds with the provinces?

[*Text*]

Mr. Speaker: The hon. member for Joliette-L'Assomption-Montcalm.

[*Translation*]

Mr. Pigeon: Mr. Speaker, I should like to direct a question to the Prime Minister. Since the pension plan has been given the name of "Canada pension plan", does that mean that Quebec, with its own pension plan, is no longer a part of Canada?

[*Text*]

Mr. Pearson: Mr. Speaker, I am sorry to say that my hon. friend's technique in asking questions has not improved while I was away.

[*Translation*]

Mr. Pigeon: Mr. Speaker, I would have a further question for the right hon. Prime Minister. Does he not believe that if he really wants co-operative federalism, particularly in connection with a pension plan, one of the ways of achieving it would be to ask the Minister of National Health and Welfare (Miss LaMarsh) to resign or to switch to another department?

[*Text*]

PENITENTIARIES

PROPOSED LOCATION OF NEW WOMEN'S PRISON

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I desire to ask the Minister of Justice if the days of indecision are over and he is now able to inform the house whether a positive decision has been made as to the location for the proposed new penitentiary upon which work was supposed to have started early this year?

Hon. Guy Favreau (Minister of Justice): I suggest that this is a question for the order paper, Mr. Speaker.

Mr. Winch: May I ask a supplementary question. In view of the announcement made some time ago that construction was to start early this year, which would require planning, can the minister not now inform us whether a decision on the location has been made?

Mr. Speaker: In spite of the importance of the question, I believe the minister is entitled to notice and the question should be put on the order paper.

[*Later:*]

Mr. Winch: Mr. Speaker, may I address a question to the Minister of Justice and ask him is he able to inform the house whether the public statement made by his predecessor, Hon. Lionel Chevrier, to the effect that the Department of Justice had made its decision as to the construction of the women's penitentiary at Cornwall, was true or false?

Mr. Favreau: Mr. Speaker, I trust the hon. gentleman will allow me to take further cognizance of whatever statement he is presently referring to, and consequently allow me to take the question as notice.

ST. PIE DE BAGOT, QUE.—CANCELLATION OF CONSTRUCTION

On the orders of the day:

[*Translation*]

Hon. Theogene Ricard (St. Hyacinthe-Bagot): Mr. Speaker, could the Minister of Justice take a few minutes, at the same time, to review the case of the St. Pie de Bagot penitentiary?

Mr. Deschatelets: That matter has long been settled.

[*Later:*]

Mr. Ricard: Mr. Speaker, I wish to direct a question to the Minister of Public Works.

When I put a question to the Minister of Justice (Mr. Favreau) with respect to the St. Pie de Bagot penitentiary, some time ago, he suggested, by a nod, that the matter was settled, that this project was cancelled.

Would the Minister of Public Works tell us whether the plan for the construction of a penitentiary at St. Pie de Bagot has been cancelled, as suggested by the Minister of Justice?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, I am surprised that the hon. member for St. Hyacinthe-Bagot is asking that question again.

When the house studied the estimates of the Department of Justice last year, the minister said to the hon. member that the project for the building of a penitentiary at St. Pie de Bagot was definitely abandoned, in anticipation of the construction of a penitentiary in the north of Montreal.

Mr. Ricard: Mr. Speaker, as a supplementary question—

[*Text*]

Mr. Speaker: Order. I do not see any pressing urgency to this question. If the hon. member wishes a detailed answer, would he please put the question on the order paper.

Mr. Ricard: Mr. Speaker, I would very much like some more information. I have been asking those ministers across the floor about this all of last year and I could not get any reply. That is why I grasped the opportunity this morning to ask for some more information.

Mr. Deschatelets: May I answer this by saying that this project to construct a penitentiary in the riding of St. Hyacinthe-Bagot has been abandoned, period.

Mr. Ricard: Because there is a Conservative member in that riding.

COMBINES

ONTARIO—REFUSAL OF BULK PICK-UP CEMENT SALES

On the orders of the day:

Mr. L. T. Pennell (Brant-Haldimand): I should like to direct a question to the Minister of Justice. Is the minister able to state if an investigation is about to be or is being conducted under the Combines Investigation Act as a result of the almost simultaneous action of four large cement manufacturing companies in Ontario refusing to accept bulk pick-up sales?

Hon. Guy Favreau (Minister of Justice): I thank the hon. member for giving me notice of his question. The director of investigation and research under the Combines Investigation Act informs me he is fully aware of this situation and can be expected to take any action under the Combines Investigation Act that the statute may require. The general practice, however, and I think it is in the public interest that I should follow it, is that no information is given out as to whether a particular inquiry is in fact being pursued, unless and until a report is published.

UNEMPLOYMENT INSURANCE

KNOWLEDGE BY FINANCE MINISTER OF FUND CONDITION

On the orders of the day:

Mr. Eric A. Winkler (Grey-Bruce): Mr. Speaker, may I direct a question to the Minister of Finance. Was he aware of a financial crisis existing in the unemployment insurance fund on or before Thursday, March 26?

Mr. Martin (Essex East): Yes; several years ago the fund went down very much.

Mr. Pigeon: The same old bunch.

Mr. Pearson: You are very touchy about it.

Mr. Diefenbaker: Is the minister now under tutorship?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, in the days when my colleague, the Secretary of State for External Affairs was interested in political questions I believe that on occasion he drew to the attention of members of the house the crisis that existed from time to time in the unemployment insurance fund.

In answer to my hon. friend's question, I was aware that the authority for the fund to borrow expired on March 31. Therefore provision was made in the supplementary estimates which were tabled on March 6 to continue this authority into the future.

NORTHERN AFFAIRS

POSSIBLE TRANSFER OF HOSPITALS FROM FEDERAL CONTROL

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, a few days ago I asked the Minister of National Health and Welfare a question relating to the hospitals operated under her department, as to whether they would suffer the same fate as veterans hospitals, and she indicated at that time that nothing was to be changed and no policy decision had been made about that matter.

I have here the Prince Rupert *Daily News* of March 23, wherein there is reference to a statement attributed to Mr. Speaker Murray of the legislature of British Columbia, to the effect that he has discussed the question of the Miller Bay Indian hospital in Prince Rupert with Hon. Eric Martin, minister of health for the province of British Columbia, and also to the effect that the days of the Miller Bay Indian hospital may be numbered; in other words that they may be drawing to a close. Would the minister care to comment on this?

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): Mr. Speaker, I should be very grateful if my hon. friend would let me have a copy of that report so I could investigate and advise him later.

SPORTS

REQUEST FOR GRANT FOR 1966 QUEBEC FESTIVAL

On the orders of the day:

[*Translation*]

Mr. Guy Marcoux (Quebec-Montmorency): Mr. Speaker, I should like to put a question to the Minister of National Health and Welfare.

[Mr. Pigeon.]

According to a morning paper, the minister is reported as having announced yesterday the payment of grants in the amount of $540,396 to 37 national sport associations.

Not having heard this announcement, but relying on this press report, I ask the minister whether her department has decided to allow the grant requested for the organization of the interprovincial games in the Quebec area.

[*Text*]

Mr. Speaker: It does seem to me this is a question for the order paper, unless the minister has the information at hand.

INDUSTRY

URANIUM CITY, SASK.—REQUEST FOR EXTENSION OF STOCKPILING PROGRAM

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the Minister of Defence Production—a similar question was asked a few days ago—concerning the rather serious situation in Uranium City. What action will the government take in order to assure the continuance there of the institution that produces uranium, so that this city, which was built around uranium, will not suffer irretrievable loss?

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, as the right hon. Leader of the Opposition will be aware, this is a matter which has been of concern to the government. In consultation with other interested parties we are endeavouring to formulate a policy which will ameliorate the undoubtedly difficult circumstances which are being experienced in Uranium City.

Mr. Diefenbaker: I thank the minister. Is he in a position to give any general indication of the plans in this regard? I realize the limitations under which he would operate to answer that question, but the people there would like more than the expression of the expectation of a hope.

Mr. Drury: Not at the moment, Mr. Speaker.

Mr. T. C. Douglas (Burnaby-Coquitlam): A supplementary question, Mr. Speaker. Could the minister at least assure the house that Uranium City will be given the same treatment that is being accorded the uranium industry in Elliot Lake, Ontario?

Mr. Drury: Mr. Speaker, Uranium City will be given the same consideration that is being given to Elliot Lake.

TAXES IN OTHER COUNTRIES ON PRODUCTION MACHINERY

On the orders of the day:

Mr. Fred F. Stenson (Peterborough): I should like to address this question to the Minister of Finance. It is the same question I put to the Minister of Industry yesterday. I did not have an answer then, but since the Minister of Finance drew up the budget he may, I feel, have this answer. The question is, is there any country other than Canada which taxes production machinery?

Hon. Walter L. Gordon (Minister of Finance): I do not know how many other countries there are, and in any event I am not familiar with the tax structures of all of them.

POST OFFICE DEPARTMENT

POLICY RESPECTING CONSTRUCTION OF SMALL POST OFFICES

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I should like to direct a question to the Minister of Public Works. My question is further to one asked of the minister last Tuesday concerning the government's policy with regard to the construction of small post offices under the winter works program. Has government policy in this regard been changed recently, inasmuch as it has been indicated to me that these small post offices are only to be built in designated areas? If government policy has been changed, when was it changed, and how?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, I am surprised that a second question has been asked on the same subject, because the last time the hon. member who has asked this question informed us that he had received a letter from the Postmaster General covering his point. I think it is well known that the Postmaster General is the one who determines where there is a need for the construction of a post office, and in what community. When this is done the Department of Public Works is asked to proceed with the construction. If the hon. member has any further questions to ask on this subject I think he should await the return of the Postmaster General to throw some more light on the matter, if the hon. member is not satisfied with the letter he has received.

Mr. Nesbitt: A supplementary question, Mr. Speaker. Inasmuch as the Postmaster General indicated to me that it was up to the Minister of Public Works to make the decision as to what was to be done and the policy to be changed, could the minister tell us whether the policy has been changed in this regard?

Mr. Deschatelets: Mr. Speaker, I will take this supplementary question as notice and upon the return of the Postmaster General I will answer my hon. friend.

THREE RIVERS, QUE.—REQUEST FOR REPORT ON MAIL TRUCK ROBBERY

On the orders of the day:

[*Translation*]

Mr. Clement Vincent (Nicolet-Yamaska): Mr. Speaker, in the absence of the Postmaster General, I wish to direct a question to the Acting Postmaster General.

Is the minister able to make a statement to the house about the theft of a mail truck in Three Rivers? If so, is there any connection between the first, second and third thefts?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, all the newspapers reported yesterday that a second theft had been committed in a royal mail truck in the outskirts of Three Rivers. Full details were given and I can assure the house that the Post Office Department, in co-operation with the police authorities, is taking the necessary steps to deal with this situation and protect crown property.

However, until we get a complete police report we cannot say if there is any connection between those thefts.

I might add that it is not believed that a large sum of money was taken.

Mr. Raymond Langlois (Megantic): Mr. Speaker, I should like to ask a supplementary question. Is it true that, on various occasions, requests were made to the Post Office Department by police authorities in the province of Quebec and in other provinces for better protection equipment, that is for armoured cars and an armed driver during the transportation of that money?

Mr. Deschatelets: I am not perfectly aware of the policy which applies in such cases. However, I can assure the house that the Post Office Department is now taking steps to meet that situation and give adequate protection to government property.

Mr. Langlois: Mr. Speaker, just a supplementary question to enlighten the minister as to what I meant a while ago. The Montreal *Gazette* wrote yesterday that an official had stated:

[*Text*]

Came from high office from Ottawa.

[*Translation*]

Was that order issued by the minister's office or simply by the commissioners' office?

Inquiries of the Ministry

Mr. Deschatelets: Mr. Speaker, the Postmaster General will be back next week. I shall therefore let him consider this matter and he will advise the hon. member later.

[*Text*]

[*Later:*]

Mr. R. A. Webb (Hastings-Frontenac): I should like to direct a question to the Minister of Public Works. Inasmuch as there have been numerous serious mail robberies in the last two days, I wonder whether the government will consider the appointment of Senator Denis to assist the police in their investigations.

Some hon. Members: Oh, oh.

PUBLIC WORKS

EXERCISE OF PATRONAGE, PRINCE EDWARD-LENNOX CONSTITUENCY

On the orders of the day:

Mr. A. D. Alkenbrack (Prince Edward-Lennox): Mr. Speaker, my question is directed to the Minister of Public Works. Is Mr. Woolsey, the former Liberal candidate, consultant for the Department of Public Works in the riding of Prince Edward-Lennox and in control of the patronage there?

Mr. Speaker: May I suggest that unless the minister wishes to answer, this question is certainly one for the order paper, assuming it is in order.

Hon. J. P. Deschatelets (Minister of Public Works): Because of the implication of this question, Mr. Speaker, would you allow me to answer it? The answer is no.

Mr. Alkenbrack: A supplementary question. Would the minister then care to comment on this item in the Picton *Gazette* of April 1, which is contrary to the statement just made by the minister—

Mr. Speaker: Order. I do not think any comment is called for at this stage.

NATIONAL DEFENCE

REMOVAL OF ARMS AND AMMUNITION FROM QUEBEC CADET CORPS

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I have a question for the Minister of National Defence in order to check the accuracy of an answer given to me some time ago. I base my question on an article by Mr. Blair Fraser in *Maclean's* magazine for April 4, page 2. He is writing about the removal by the military authorities of arms from the cadet corps and he refers to the cadet commander of Ashbury College as follows:

> He discovered that while Ashbury College on the Ontario side of the Ottawa river had been stripped of everything it possessed, the cadet corps across the river in Hull, Quebec, had not lost any equipment at all.

Some time ago I asked the minister a question which was numbered 203, and the return given to me was numbered 2423. My question was:

> From which cadet corps have weapons and ammunition been removed by the Department of National Defence?

The answer was:

> Weapons and ammunition were removed from all cadet corps in the province of Quebec.

My question is, is Mr. Blair Fraser accurate in his statement, or is the minister accurate in his statement?

Hon. Paul Hellyer (Minister of National Defence): I think the answer to the question would depend on the date of the answer.

INQUIRY AS TO RECOVERY OF STOLEN ARMS AND AMMUNITION

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I should like to ask the Minister of National Defence a question which I put to him before. Has any recovery been made of the substantial quantity of arms and ammunition stolen from national defence armouries?

Hon. Paul Hellyer (Minister of National Defence): Not in addition to those I have already mentioned, Mr. Speaker.

ACQUISITION OF NUCLEAR PROPELLED SUBMARINES

On the orders of the day:

[*Translation*]

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, I should like to direct a question to the Minister of National Defence.

In his white paper the minister announced the intention of his department to buy three nuclear submarines. Will they also be equipped with nuclear Polaris rockets?

[*Text*]

Hon. Paul Hellyer (Minister of National Defence): No, Mr. Speaker.

QUEBEC—POSSIBLE ATTEMPT TO FORM REVOLUTIONARY FORCE

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): I have a question for the Minister of Justice with reference to the theft of arms

and ammunition and other military equipment from armouries. My question is this. Have the R.C.M.P. indicated to the minister any suspicion in their minds that an attempt is being made to form "a revolutionary force modelled on the Irish republican army with its own war room, chain of command, staff officers and guerrilla bands," as indicated in an article by Peter Newman in *Maclean's* magazine?

Hon. Guy Favreau (Minister of Justice): No, Mr. Speaker.

FISHERIES

PROPOSED USE OF TRAWLS IN CATCHING SEALS

On the orders of the day:

Mr. J. R. Tucker (Trinity-Conception): Mr. Speaker, may I direct a question to the Acting Minister of Fisheries. Is the acting minister in a position to reply to the question I asked yesterday regarding the proposed cruel method of catching seals by using hooks?

Hon. J. Watson MacNaught (Acting Minister of Fisheries): In reply to the hon. member for Trinity-Conception I may say that the subject of adequate regulation of the seal fishery is now under very careful review by the Department of Fisheries, and the possible use of the method outlined by the member yesterday will be included in that review.

FINANCE

INQUIRY AS TO PROPOSED BANK MERGER

On the orders of the day:

Mr. Donald MacInnis (Cape Breton South): I have a question for the Minister of Finance. Has the government received any representations on the question of a merger between the Toronto-Dominion Bank and the Bank of Nova Scotia?

Hon. Walter L. Gordon (Minister of Finance): The answer is still no, Mr. Speaker.

HIGHWAYS

BRITISH COLUMBIA—DISCUSSIONS RESPECTING STEWART-CASSIAR ROAD

On the orders of the day:

Mr. Frank Howard (Skeena): I should like to direct a question to the Minister of Northern Affairs and National Resources and ask him whether any negotiations or discussions are currently under way between himself or his department and Mr. Gaglardi of the province of British Columbia, or officials of that province, with respect to the Stewart-Cassiar road under the roads to resources program.

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): We have been approached by the government of British Columbia in the person of Mr. Kiernan, who was minister of mines at that time. He asked us to find an additional $7,500,000, approximately, because at the time the roads to resources program was laid down the province of British Columbia chose to apply the entire $15 million to the construction of the Stewart-Cassiar road.

Mr. Kiernan has told us that this money is entirely used up but there are some 90 miles of the road still to be completed in the most difficult section, and his estimate is that this work will cost, in all, another $15 million. He has applied for $7,500,000. We told him that inasmuch as the agreement with respect to the roads to resources program has not been completed in all the provinces it would not be possible for us to make an extension under that program for a single province at this time.

AGRICULTURE

REPORTED PRESSURE FOR APPOINTMENT OF QUEBEC MINISTER

On the orders of the day:

[*Translation*]

Mr. Gerard Girouard (Labelle): Mr. Speaker, may I direct a question to the Prime Minister?

At a meeting held during the week end, the general council of the union catholique des cultivateurs referred to a statement made in Winnipeg by the Minister of Agriculture (Mr. Hays), to the effect that the appointment of Mr. Maurice Sauve was the result of pressures exerted by members of parliament from the province of Quebec. Could the Prime Minister either deny or corroborate such a statement?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker. The Minister of Agriculture has already denied that he made the statement.

CROWN ASSETS

VANCOUVER—DISPOSAL OF SITE OF R.C.A.F. STATION KITSILANO

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): I wish to direct a question to the Minister of Industry who, I believe, is responsible for the Crown Assets Disposal Corporation. In view of the fact that the R.C.A.F. plant at Kitsilano is now under control of the Crown Assets Disposal Corporation, will the minister

tell us what is the present situation in view of the urgent request made by the city of Vancouver in this respect?

Hon. C. M. Drury (Minister of Industry): The present situation is that the Crown Assets Disposal Corporation is exploring the most advantageous way to Canada of disposing of this property, and in this connection discussions have been held with the city of Vancouver.

Mr. Winch: Will the minister assure us that no disposal will be made until he has received the presentation of the city of Vancouver with regard to this matter?

Mr. Drury: There have already been discussions with the city of Vancouver.

SUPPLY

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

DEPARTMENT OF THE SECRETARY OF STATE

Civil service commission—

1e. Salaries and contingencies of the commission, $131,000.

[*Translation*]

Mr. Vincent: Mr. Chairman, before we pass the supplementary estimate now before us, I would like to make a few remarks concerning the civil service commission.

At this time, French speaking citizens in Canada sometimes wonder about the civil service commission, and the relations which French Canadians may have as federal employees.

I do not consider myself competent to delve very deeply into existing conditions in Ottawa as far as French speaking citizens are concerned. But today I would like to quote as witness a prominent Canadian politician who certainly occupies one of the most important posts in the federal capital. I refer to the Minister of Justice (Mr. Favreau) who, as we know, has been deputy minister of justice for several years and who is obviously familiar with the attitude of the civil service commission in respect of French speaking civil servants.

The Minister of Justice recently made a speech in Toronto. I would like to read out a few extracts, and then ask the President of the Privy Council (Mr. McIlraith) four questions with regard to vote 1e now before us.

The experience gained by the Minister of Justice would clearly warrant that his statement is based on some true facts. According to the Ottawa *Journal* of March 5, 1964, the minister said this:

[Mr. Winch.]

[*Text*]

Favreau blames civil service for Quebec's "quiet revolution".

[*Translation*]

The beginning of the article reads as follows:

[*Text*]

Nothing has caused such "strong and deep-rooted frustration in Quebec" than the position of French Canadians in the federal civil service, especially in the departmental headquarters establishments in the national capital.

The "brushing aside" of French in Ottawa has "fed the so-called quiet revolution" in Quebec.

[*Translation*]

And the article continues as follows:

[*Text*]

These and other statements bearing on bilingualism in the civil service were contained in a speech today at the Empire club in Toronto by justice minister Favreau. He spoke of the feeling now existing among French Canadians as "serious and dangerous", and put the blame largely on the language situation in the civil service.

[*Translation*]

Again, the article continues:

[*Text*]

Mr. Favreau's was the strongest attack yet made by any member of the cabinet against what he charged had been years of discrimination against French Canadians in government service.

[*Translation*]

Mr. Chairman, that is the reason why—

[*Text*]

Mr. Tucker: Will the hon. member permit a question? Will he state the source or writer of the article?

Mr. Pigeon: All the newspapers across the country.

Mr. Vincent: The Ottawa *Journal*, March 5, 1964, on the front page.

[*Translation*]

That is why the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon) asked the President of the Privy Council if he was in agreement with the statements made by the Minister of Justice.

Everybody knows that in Quebec, and more particularly during election campaigns, we heard a great deal of talk about the relations between French Canadians and English Canadians and the part which French Canadians are playing in federal politics. As a matter of fact, those who are sitting on the government benches today are always singing the same refrain during election campaigns, but when they come to Ottawa they keep mum. They even remained silent during 22 years and on account of their attitude, we are wondering what happened to those fine speeches made during election campaigns.

Mr. Chairman, I now wish to point out certain remarks made by the Secretary of State (Mr. Lamontagne) who, according to precedence, ranks tenth in the cabinet and whose position is higher than that of the Minister of Justice who only ranks nineteenth. And as reported on page 6 of the appendix to *Hansard* for June 25, 1963, the Secretary of State said:

To that end, various projects are now being considered such as a review of the recruiting and examination system, special courses within the various departments, a premium for bilinguism, the creation of a bilingual institute of public administration, where all university graduates might train before taking up their posts in the federal service.

We shall start with that over-all program next September. From now on, we want all civil servants truly to understand the bilingual and fundamentally bicultural character of Canada. More particularly, we want French Canadians to be able to serve their country in their own language and not to have to forget it when going to work.

Mr. Chairman, before those estimates are passed and following the statement made outside the house by the Minister of Justice, who surely has some experience in the federal civil service, and the one made by the Secretary of State in a speech delivered on June 25 in this house, I should like to put four questions to the President of the Privy Council. I would like him to answer these four questions before we pass his estimates.

Question No. 1—At present, what progress has been made in the review of recruiting methods and examination systems? When I say this, I refer to certain statements.

Question No. 2—Where does the project with regard to special courses within various departments stand?

Question No. 3—Where does the project of premiums for bilingual civil servants stand?

Question No. 4—What progress has been made with respect to the creation of a bilingual institute of public administration where university graduates could train before taking up their duties in the civil service?

I would like, if it is at all possible, to have the President of the Privy Council answer these four questions.

Mr. Favreau: Mr. Chairman, the speech I made in Toronto, last March 5, has since been reported in several different ways by some hon. members.

I must say that had I not been sure of the validity of the speech I was going to make before the Canadian Imperial Club, in Toronto, I could only be proud of it now in view of the approval it has received.

It is obvious that this speech was not about a review of the civil service, on March 5, 1964, because the situation within the civil service was not the subject matter of my remarks that day. I simply tried, as I had been requested to do, to point out some guide lines; I said that they were not all the reasons for what is brewing and what is happening now in the province of Quebec.

I said also that if the French language had been disregarded in business as well as in the civil service mainly through neglect on the part of French speaking Canadians in the field of education as well as through some deficiencies in the school system in Quebec, which are being corrected wonderfully today, the blame lay also to a great extent with the indifference of English speaking Canadians. I added that, in the past, the civil service had been one of the areas where the results of those deficiencies among French speaking Canadians and that indifference on the part of English speaking Canadians had been most noticeable.

I also added that, fortunately, thanks to measures now implemented and arrangements proposed to correct the situation, there is a substantial improvement in the bilingual situation in the civil service and there is reason to have great hopes in that field.

Mr. Chairman, as far as the past is concerned, what I have said is correct but my words are distorted—unconsciously or involuntarily, I am prepared to admit it—when people say that my speech dealt with the present situation in the civil service. All I uttered was a word of encouragement for what is happening now or what will happen in the future.

What happened is this. In the Ottawa *Journal* following, no doubt, a phone call and with no ill intent on the part of the news reporter, three paragraphs of my speech were singled out. The newspaper realized that those three paragraphs were out of context, and on the following Saturday, that part of the text mentioning the civil service was reproduced in two full columns on the editorial page. To my great satisfaction, that same newspaper, eight days ago I believe, published an editorial of which I am proud and which was based on a speech I had made in Montreal and in Toronto. It said:

[*Text*]

If the Minister of Justice had less courage or had been a lesser man, he would have pronounced his Toronto speech in Montreal and his Montreal speech in Toronto.

[*Translation*]

For that reason, Mr. Chairman, I have nothing to withdraw from what I said but I simply wish to add this. There are at present, within the civil service, very encouraging signs concerning bilingualism, and I think that we only have to take an inventory of this

government's policy and of the steps now being taken, or under discussion, to know that we can hope for a full measure of justice, within the civil service, as regards the application and the use of the two official languages in this country. As I said, that same measure of justice will be applied to those, among the unilingual officials who were not completely prepared, in the past, to accept their position and for whom, the fact that they are not French speaking will not be an obstacle to promotion or a matter of discrimination.

Mr. Vincent: Mr. Chairman, I thank the Minister of Justice for having thrown some light on the speeches he made in Montreal and Toronto.

The minister mentioned the education system in the province of Quebec. I agree with him that it is being improved, but one must recognize that it is under that system that the minister himself was educated and became an outstanding lawyer. Thus, it certainly contributed, in the past, to the education of distinguished French Canadians.

One should not blame the whole system of education which prevailed in the province of Quebec before 1960, inasmuch as the Minister of Justice himself, like many others in the house, received his education under this particular system, which prevailed in the province of Quebec before this famous peaceful revolution we have been witnessing since 1960.

Now, Mr. Chairman, were it possible, I would be happy if the Minister of Justice, while he is in the mood, would answer the four questions I just had passed onto him on a sheet of paper.

Could the Minister of Justice answer the four questions I am directing to him?

Mr. Favreau: Obviously, our system of communiciations is not perfect—well, I had not seen them before the moment I rose—

Mr. Pigeon: Mr. Chairman—

[*Text*]

The Chairman: Does the minister wish to reply to these questions before I recognize another hon. member?

Mr. McIlraith: I shall try to answer them to the best of my ability. The first question had to do with the language courses. There is a language course being conducted by the civil service commission, and in addition authority has been given to several of the departments to set up their own language courses. I think the program in that field would be found rather satisfactory, and if the hon. member wants more detail about it I would hope to arrange for him to get it, as I believe it would meet the kind of problem he has in mind. I am sorry to say I do not have a list of the departments here, but I know of three which have language courses, northern affairs, transport and agriculture.

As to the examination system, I am not able to answer that question because the commission is dealing with it and work is being done on its revision. I am unable to give a definitive answer on that.

With regard to the bilingual institute of public administration, the government has not had the opportunity to give final consideration to this matter, because the preparatory material is only now being obtained. Quite active work is being done on the part of the staff in getting the kind of material that needs to be assembled in order to have the policy considered and a decision taken.

In the discussion last night I had understood the hon. member for Joliette-L'Assomption-Montcalm to be speaking about pay bonuses, but on reading the French text of his remarks I now find he used wider language than that, and that there was some reference made to incentives. That question is part of the work being done by a section of the staff group, and where we appeared to be a little at cross purposes last night was in dealing with the method of taking care of the situation, and as to whether this method would be by way of an additional qualification for a job. Pay, of course, is based on the requirements for the job, and in a great number of jobs bilingualism will be a requirement.

As I say, I had understood the hon. member to be speaking last night about a pay bonus, but now I know he used wider terminology and was dealing with something more in the nature of an incentive. This subject is of the utmost importance. Work is proceeding on assembling the material and in taking the steps as rapidly as they can be taken to deal with the situation and to bring about a more satisfactory solution, in the sense that any Canadian coming to Ottawa to do business with the government will be able to converse in his mother language with the officials he might reasonably expect to meet.

Mr. Vincent: I have here the words used by the former secretary of state, which received wide publicity in my province. He used the words "a premium for bilingualism."

Mr. McIlraith: What is the reference?

Mr. Vincent: It will be found at page 1548 of *Hansard* for June 25, 1963.

Mr. McIlraith: Would you read the sentence?

Mr. Vincent: It reads:

To that end, various projects are now being considered such as a review of the recruiting and examination system, special courses within the

various departments, a premium for bilingualism, the creation of a bilingual institute of public administration—

Mr. McIlraith: That is a very accurate statement of the situation, and these things have been moving forward very rapidly. Some of them, like the language courses, are well under way. On others, such as the institute of public administration, the policy decision has not yet been taken because the preparatory work is still being done and has not been completed to the point where a final decision can be taken. That sentence which the hon. member has read is a very accurate statement of the situation, and I would point out that a great deal has been done in the interval. The subject is one of very great interest and concern, and I would hope—

Mr. Pigeon: You play with us, I think. Answer yes or no and we will stop the discussion. We asked you a direct question.

Mr. McIlraith: I would hope that when the minister to whom the civil service commission reports speaks on his general estimates we would have a thorough discussion on this matter, and incidentally the general estimates have already been tabled. Much as I would like to answer yes or no to please my hon. friend, these questions are not the kind that can be answered yes or no. I would like to please him but it would serve no useful purpose to attempt to answer in those terms.

[*Translation*]

Mr. Langlois: Mr. Chairman, I listened carefully a while ago to the Minister of Justice and I must congratulate him for the courage he showed when he made his two speeches, one in Montreal and the other in Toronto. Now, if more speeches like that had been made these past few years, the situation would be less critical today as regards the education system which, at least in the opinion of some previous speakers, would only date back, under its present form in the province of Quebec, to 1960.

Let me tell you that we, in the province of Quebec, have been striving for a long time to achieve as high a degree of bilingualism as we could wish for and that the system of education was changed, not in 1960, but long before that, for, when I started teaching in 1956, the new system had been in force for eight years. Therefore, it is not the business of the provincial Liberal party of 1960, and this is nothing new, because the province of Quebec was already aware that a change was called for. There were tentative efforts, upheavals, changes, and changes are still being made, but at least we had the courage to change and to depart somewhat from our traditions, by learning a language and discarding the rest.

If we make the effort to learn another language, it is because we believe it might prove useful to us, otherwise we would not take the trouble. The Canadian people is fully aware of this and I think it is time parliament also understood that as long as a second language is learned only for learning's sake, there shall never be any true bilingualism in the federal civil service. The person who speaks both languages fluently has not only an additional asset, but if he is working in the civil service, he gives double satisfaction. When it is recognized that a knowledge of both languages is an asset, that a bilingual person possesses supplementary or superior qualifications compared with the person who knows only one language, allowance being made for basic qualifications, only then will we have real bilingualism at the level of the civil service.

When an industry needs a technician or an engineer, it does not look for it in a school of medicine but in an institute of technology. If a student wants to specialize in commercial sciences, he attends the school of higher commercial studies and if he wants to be a doctor, he goes to the faculty of medicine.

Now, if the federal government wants efficient men in the civil service, if it wants a team of competent men, it should first have a plan and set up a school to teach and guide the civil service people, in order that they may become efficient men. Many promises were made in that respect during the last election campaign. If the Minister of Justice or the Secretary of State did not make those promises themselves, I heard them say in my riding that a bonus would be granted all bilingual civil servants.

Let the government keep its promises and do what it says it will do. If a person makes the effort required to learn a second language in order to be of service to the federal government, the person should be paid for that service. That should in no way amount to discrimination against other people, for anyone remains free to learn a second language, be it French or English.

I feel it is time we begin to appreciate at its proper value the knowledge of a person who is perfectly bilingual and serves his country in its two official languages.

It is up to the federal government to recognize that advantage. Much ground has already been covered. We are not blaming English speaking Canada, but we rather blame the Quebec representatives within the federal government who, for years and

years, were rather unconcerned and when I say that, the Minister of Justice knows very well what I am trying to imply.

There was a deficiency on the part of members from Quebec. Of course, there were some who fought for the French fact. Henri Bourassa brought up the matter often enough to enable the Liberal and Conservative governments to understand the situation. Now, it is up to this government to take a decision because if the province of Quebec is changing its education system to meet today's needs, it behooves the federal government to take the necessary steps to keep pace with the facts.

And only then may we say that we have qualified civil servants because they will have studied to become fluent in both languages.

If I wished to learn mathematics, I would attend a school where mathematics are taught. The federal government should establish a school of languages in order to provide this service to civil servants. It should improve the knowledge of its employees in order that they may give the best possible service to the Canadian people.

I think that by giving a bonus to those who speak both languages, many federal civil servants would learn the other language and thus they would be in a position to render greater services not only to the civil service commission, but also to the whole Canadian population.

Mr. Pigeon: Mr. Chairman, the Minister of Justice made a long statement earlier which, more or less, amounts to an admission that he made a statement in Toronto to the effect that French Canadians in the civil service were frustrated.

On the other hand, I am rather astonished to find that the minister spoke of the Quebec education system as if nothing had been done in the past. By disparaging what had been done in the province of Quebec in the education field before 1960, I think he is running himself down. I most strongly protest against this new crop of people in the province of Quebec who speak ill of everything done prior to 1960; this is doing a disservice to the province of Quebec and national unity in general.

I want to advise the government of the province of Quebec to guard against such an attitude, for as far as education is concerned, the authorities in Quebec seem to want to give as much importance to the agnostics as to the Catholic or Protestant majority in Canada. I feel that the Quebec government is making an error and I have been offended when the minister tried to downgrade the Quebec system of education—

[Mr. Langlois.]

The Chairman: Order. May I remind the hon. member that his remarks must be related to the item now before the house?

Mr. Pigeon: Mr. Chairman, I share your views, but I believe it would only have been fair if you had given the same kind of advice to the minister when he ventured on these grounds.

The Minister of Justice says that French Canadians are unfairly treated in the civil service, but what about his attitude during the many years he has been deputy minister of justice in Ottawa when his friends were in power? What suggestions, if any, did he make to the government at that time to improve the French Canadians' position in the federal public service?

He stated in Toronto recently that French Canadians were being frustrated. Is the minister condemning by the same fact the administration under which he was working as associate deputy minister of justice? The minister is admitting publicly before the nation that he failed in his duty and responsibilities by not making suitable recommendations at that time.

Not so long ago, that is on June 25, 1963, the Secretary of State said, as reported on page 1548 of *Hansard,* that the government would give a premium for bilingualism. Would the President of the Privy Council tell us if the Secretary of State was speaking for the government? Was he or was he not? That is all we want to know.

During the election campaign, throughout French Canada, Liberal candidates promised that a Liberal government would give a premium to bilingual employees.

Mr. Chairman, it is all well and good to make promises, but I want the minister to tell us if that promise will be kept soon. That is all we want to know in order to caution the government, for the future and especially during election campaigns, not to make promises, not to indulge in political blackmail, not to deceive the population, in short not to treat the people of Quebec like fools.

Mr. Chairman, as a matter of fact I have here a copy of the Liberal party propaganda during the last election campaign and here is what I find:

Bonus to bilingual federal civil servants.

Mr. Chairman, I ask the minister whether he is going to carry out that promise made by Liberal candidates and repeated here by the Secretary of State. I want to know whether this government is going to grant shortly a bonus to bilingual employees.

[*Text*]

Mr. McIlraith: Mr. Chairman, if the reference to the remarks in *Hansard* of June, 1963 is the same as that given by the hon. member for Nicolet-Yamaska, it is a correct reference to the policy and position of this government. What was said in that speech is being carried out very rapidly and very well.

[*Translation*]

Mr. Pigeon: Mr. Chairman, I should like to ask the minister a final question. When is the government going to amend the Civil Service Act in order to grant a bonus to bilingual employees? I ask him to tell us when it is going to happen, since he claims to be in favour of the system and he supports the measure?

[*Text*]

Mr. McIlraith: Mr. Chairman, I do not know whether there is much use in continuing this discussion in this way because I find myself in difficulty over the language used by the hon. member. As I understood it, the word used last night was "bonus". When I read the French text of *Hansard* I find the hon. gentleman used a wider phrase; he varied his words two or three times. If he means that these people will have greater financial benefits because of the added qualification which they use in their work, then they already receive this benefit. For instance, the whole basis of the pay of a translator is on his having a knowledge of both languages. Many positions are set up as bilingual positions and the added language qualification attracts a bonus which is added to the pay set for the position.

So if the hon. member is using the word "bonus" in that sense then they do get a bonus. If he is using the word "bonus" in this sense, that both bilingual and unilingual employees are engaged for similar or identical positions where only a unilingual qualification is required—and in some parts of the country there is no reasonable expectancy that the second language will be required for the efficient performance of duties—then I would think there would be no reason to pay a bonus to those employees who were bilingual and not to those employees who were unilingual. That is why I have been very careful to steer away from giving the hon. member the kind of dogmatic answer which he is seeking to extract from me.

I hope this explanation gives the hon. member the information he requires. I recognize the importance of the subject, but would hope that discussion of it could more adequately be continued when the main estimates are before the house, when the appropriate officials and the minister concerned will have the details available.

I think it is proper to remind the hon. member that these estimates are supplementaries and that the practice of the house for as long as I can remember—and I have been in it for quite a while—has always been that either the Minister of Finance or some other minister puts all the supplementary estimates through the committee. It has not been usual to have detailed discussions of policy, particularly on items like this where what is being asked for is a very small amount by way of additional costs relating to some of the items in the main estimates, and where there is nothing new in the supplementary estimates themselves.

Although I have no wish to cut off any legitimate discussion, I would hope I have correctly stated the position taken by succeeding governments in this kind of situation, and that we might move on with our discussion.

Mr. Langlois: I do not agree with the minister when he said that a bilingual person doing the same job as another in a region where only one language was required should not be entitled to a higher salary. I consider that sheer discrimination. If one man is superior in his qualifications he has the right to superior remuneration from the government. That is the case all over the country and in business. Because a man is located in one spot and his salary is cut down—

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

Mr. Langlois: — that is sheer discrimination on the part of the government.

Mr. McIlraith: It seems to me the hon. member is mixing up two things here. He is talking about the qualifications of a given employee on the one hand, and then asking for higher pay for an identical position on another. The situation which I posed in my remarks is quite a different situation from that put by the hon. member. What I dealt with was limited, as I tried to point out unsuccessfully, it seems, to the method of handling this problem. The method which seems to be the most talked about and which is the fairest is to pay an employee for the work he does. That is the responsible method. It may happen that a person who is bilingual may feel that he is not employed to the full extent of his qualifications if he is filling a position where bilingualism is not a requirement of the position. Such situations do arise, but they are not confined to the element of bilingualism. There exists a real distinction between the qualifications of a person and those required to adequately fill a position. That was the distinction I was trying to draw, and I think that is the true position.

Mr. Langlois: I am sorry if I did not hear correctly, but—

Mr. Favreau: Mr. Chairman, on a point of order, are we not getting a little technical in this discussion, and are we not performing precisely the type of function which can be performed more efficiently by the committees which are presently being set up—

Mr. McIlraith: They are set up.

Mr. Favreau: —by the committees which have been set up? I suggest that in view of the somewhat technical type of discussion which is emerging we get back to the very nature of the supplementary estimates which are before the committee, and that the discussion be limited to those estimates.

It is true that as far as the civil service commission is concerned it so happens that the four items, the supplementary estimates which are being discussed in this committee, are listed under vote 1e, but that is just a coincidence. When we discuss supplementary estimates I submit that even if vote 1e is called for a department, it does not enable the discussion to be extended to all its branches.

Take, for instance, the Department of Fisheries. The first vote we have in these estimates is vote 30e. Then surely the committee could not have the pretext it has now —and I say it is only a pretext which is being used because, as I am pointing out, it so happens that under vote 1e the four supplementary items are presently listed. I suggest that no further discussion should take place which does not specifically concern the four items listed.

Mr. Langlois: On a point of order, there is a subsection here under item 1e which I think has something to do with recruiting. If the minister is afraid of going into too many technicalities, why did he talk about this subject during the last election campaign? He talked about it then and now he does not want to face it. He says he does not want to talk about it.

[*Translation*]

Mr. Prud'homme: He did not say that he would not do it.

Mr. Langlois: If he does not want to talk about it now, he should not have mentioned it one or two years ago. This is not a technical matter but rather one of principle.

Mr. Prud'homme: That is not what he said.

[*Text*]

Mr. Langlois: I do not know whether I heard correctly what was said a while ago, but it appeared to me the minister said there were two men in a given locality who needed only one language; if one had two languages and the other had one they would both get the same recognition—

The Chairman: Order, please. Is the hon. member still speaking on the point of order?

Mr. Langlois: Yes, because I think the point of order was brought up by the Minister of Justice after a statement had been made by his colleague. I should like the Minister of Justice to explain that statement. It was said these two men were both in the same locality. One was bilingual and one was not. How does the minister consider that one has a superior qualification to the other when in point of fact they both receive the same recognition as far as salary is concerned? Bonuses were mentioned a while ago. I do not know how the minister got all these words jumbled up. The bonus which members opposite were talking about during the last election campaign referred to language qualifications. In consideration of his additional language qualification a man would get a bonus or receive a higher salary. Is the minister willing to stick to that proposition which was put forward by members on his side of the house during the election campaign, on election platforms, or was it just another promise intended to get people to vote Liberal?

[*Translation*]

Mr. Pigeon: On the same point of order, Mr. Chairman, I think that the hon. member for Megantic is in order. It is his responsibility and his duty to raise the matter of a bonus for bilingual persons.

We are celebrating this year the centenary of responsible government—

Mr. Favreau: Mr. Chairman, I rise on a point of order—

Mr. Pigeon: It is our duty to protect—

Mr. Favreau: Mr. Chairman, regardless of the present historical situation in Canada, however close or remote this centenary might be, it does in no way affect the point of procedure involved, which is whether the present discussion is in order.

Mr. Pigeon: Mr. Chairman, on the same point of order. I am quite prepared to respect the opinion of the Minister of Justice, but that does not mean that he is infallible. As we have seen the beginning of this session, he made many mistakes—

We are celebrating this year the centennial of responsible government, and it is the responsibility of hon. members to get information and answers to their questions.

Mr. Deschatelets: Not on a matter of government policy.

Mr. Pigeon: We simply wish to know this from the President of the Privy Council. Is he in favour, as it was advocated by the Secretary of State and his party in the province of Quebec during the last election campaign, of giving a bonus to bilingual employees, yes or no?

If he answers this, the debate will end.

Our forefathers fought for a responsible government, and we are entitled to obtain definite answers from the minister. Otherwise, he should not be surprised if we do not co-operate. We are celebrating the centenary of responsible government—

Some hon. Members: Order.

Mr. Pigeon: That is what Lafontaine and Baldwin fought for and it is our responsibility to protect our rights.

The Chairman: Does the hon. member for Megantic want to add something to the comments on the point of order?

Mr. Langlois: Yes. If you want to take it that way, it could be related to that. Mr. Chairman, let us take vote 1e, under publicity for recruiting purposes. Why call the argument out of order, when an amount of $65,000 is to be voted for that purpose? Was it not publicity for recruiting purposes when it was said during the last election that bilingual civil servants would get a bonus? That is what we were told during the last election, Mr. Chairman. Therefore, I ask the minister this question: Why was the matter mentioned if it was not publicity for recruiting purposes?

Today, we are told that the point is out of order. It is certainly in order, as you did write it into the estimates yourselves. That is just the point on which we speak. Has a bonus been awarded or mentioned?

[*Text*]

The Chairman: Order. It being one o'clock I do now leave the chair.

Mr. McIlraith: The committee is clearly interested in the subject, and I am wondering whether you might be disposed not to see the clock.

Mr. Howard: I can see it quite clearly, Mr. Chairman.

At one o'clock the committee took recess.

AFTER RECESS

The committee resumed at 2.30 p.m.

The Chairman: Order. House in committee of supply, civil service commission, vote No. 1e.

[*Translation*]

Mr. Laprise: Mr. Chairman, before item 1e is carried, I would have a brief comment to make.

I refer to a fact concerning the civil service commission to which I drew the attention of the responsible minister twice during the last session.

The civil service commission has advertised job opportunities in a town located in my constituency, the town of Chibougamau. On the posters the citizens of Chibougamau as well as those in the Lake St. John area are asked to submit application forms. I would point out here that Chibougamau is in the constituency of Chapleau and not in that of Lake St. John.

I would, therefore, ask that in future when the civil service holds competitions the citizens of the constituency of Chapleau be invited to apply.

Last year the responsible minister told me that he would deal with the matter. Other notices of competitions have appeared since, and there has been no change. Consequently, I would ask that in future, the citizens of Chapleau as well as those of the town of Chibougamau be asked to apply when there are civil service jobs available, especially in the Department of National Defence and the Post Office Department.

[*Text*]

The Chairman: Shall the item carry?

Mr. Pigeon: On division.

Item agreed to.

DEPARTMENT OF DEFENCE PRODUCTION

25e. To sustain technological capability in Canadian industry by supporting selected defence development programs, on terms and conditions approved by treasury board, $5,500,000.

Mr. Nowlan: Perhaps the minister could give us an explanation of this item. I think I know what the explanation may be. I take it these are moneys which we are advancing from time to time to certain companies producing for national defence in order to assist in industrial development in this field. I wonder whether the minister would confirm the explanation of this item and also perhaps for a minute—

Mr. Churchill: Thirty seconds.

Mr. Nowlan: Someone says 30 seconds but we will say a minute—give us the results that are accruing from these expenditures.

Mr. Drury: Mr. Chairman, I take it the hon. member has reference to vote 25e. The main estimates contained an appropriation of $10 million to sustain technological capability in Canadian industry by supporting selected

defence development programs. Under this item a forecast is made of development programs which have a likelihood of success and a forecast is made of the amount of success which might be achieved during the year. From time to time Canada is fortunate in having success achieved more rapidly than we had hoped, in which case a higher expenditure than originally forecast is needed.

This supplementary estimate of $5 million does represent a measure of the successful acceleration of our development programs. If it would help the hon. member and the committee I might mention some of these by way of example. One of the larger ones has been the Caribou II aircraft, a project undertaken for the development of a short range take-off and landing aircraft with a military application, in which a great deal of interest has already been shown by the United States army. Hon. members will recollect that for a while it looked as if the United States would not continue its interest in this aircraft, but I am glad to say that the interest has been resumed.

Another one is the development, in conjunction with some of our NATO partners in Europe, notably the United Kingdom, of a drone known as the CL-89 being developed at Canadair for battlefield surveillance. This is coming ahead very satisfactorily indeed. Another example would be the integrated guidance system being developed in Ottawa by Computing Devices Limited.

I could go on and cite other examples which I would suggest are testimony to the ingenuity, perseverance and technological capability of Canadian industry in developing these new devices for the armed forces.

Mr. Diefenbaker: Mr. Chairman, there is only one matter I want to deal with particularly. In his concluding words the minister paid a compliment to the technological development of Canada after having referred to the interest of the United States in the Caribou II. I am wondering why it was that the Royal Canadian Air Force decided to buy Hercules transport aircraft in the United States to the number of 16, as I recall, rather than doing something to make this $55 million order available to Canadian industry. Is there not an aircraft industry in the city of Montreal that could have provided transports sufficient for Canada's purposes? Certainly a boost of $55 million in orders would have given a tremendous impetus to the aircraft industry of this country.

Mr. Drury: Mr. Chairman, there is no question but that the aircraft industry in Montreal is fully capable of producing 16 aircraft of the kind required by the Royal Canadian Air Force for transport purposes. However, the cost of the taxpayers of Canada would have been very substantial indeed in comparison with the cost of buying them from an existing operating assembly line in Georgia. Consequently the decision was taken to purchase them at a substantially lower cost in the United States.

While on the face of it this may seem to represent a lot of job opportunities in the aircraft plant in Montreal, I recall to the house that the defence production sharing program is designed to take care of situations precisely such as this whereby, as a counterpart to Canada being free to purchase its limited requirements of any given item of equipment in the United States, the United States for its part will make purchases from Canada of a corresponding value of military equipment from Canadian manufacturing plants. Canadair in Montreal, to which reference has been made, has been favoured in this production sharing program to a very large degree, particularly in respect of the CF-104 interceptor aircraft, amongst other things.

It may interest the right hon. gentleman to know that at the moment, with this production sharing arrangement of a two way flow of the procurement of military equipment, the balance in favour of Canada is something of the order of $70 million. While it is true that the recent order for Hercules aircraft does represent a substantial purchase in the United States, we will see that this is adequately compensated for by purchases by the United States or on behalf of the United States armed forces from Canadian manufacturers.

Mr. Diefenbaker: I realize, as the minister has said, that defence production sharing is a two way street, but when we were in office we greatly increased the favourable amount of expenditure for Canada. However, I would have thought that on a matter such as this Canada could very well have filled this order and that the fullest consideration should have been given to the merits of the matter.

The minister says that the cost of these aircraft was much lower than would have been the case if similar transport aircraft had been purchased from Canadair. Having said that, I suggest he allow the house and the country to know what was the amount per unit which was asked for a Canadian transport aircraft by Canadian industry. We found ourselves in that position on occasion when military requirements produced in Canada would have cost so much more than almost equally good equipment which could be purchased elsewhere that, in the general picture of defence sharing, orders were given abroad.

However, I should like to hear the actual story from the minister, who is fully conversant with this matter. It is only in the

last few days that I have received the strongest protests from Montreal in this regard. Indeed these protests have come from persons who are quite close to the minister and who found it difficult to understand why an order such as this went elsewhere, when transports could have been provided in Montreal that would have assured the preservation and expansion of the aircraft industry. There is nothing more difficult today than the maintenance of the aircraft industry, as the minister knows. In the United States, I speak from recollection only, I believe there are only three major aircraft concerns left today. The others have had to close down or join the existing ones. Canadian aircraft produced by this country have had a superb performance record and represented the highest of our Canadian technology. I should like the minister to give us the facts rather than the general conclusions that he has given us.

Mr. Drury: In respect of the particular aircraft in question, the Hercules aircraft, the difference in cost between having the 16 purchased in Montreal rather than purchased at the Lockheed Corporation in the United States, would have been about $2 million per aircraft or a total of $32 million extra. To pursue this particular line of endeavour at exorbitant cost, to engage in uneconomic operations, to fly in the face of our argument in favour of the rationalization of defence industry with the United States, would possibly have led to a serious breach in the understanding we hope will be reached whereby Canadair will be producing, as part of the production sharing arrangements, components and substantial parts of the TFX aircraft which, as the hon. gentleman knows, is going to be ordered in substantial numbers by the United States air force.

If the position of the Canadian government should be that we are going to produce all our own military equipment, even on an uneconomic basis, then the willingness of the United States to have us share in the production of their military equipment, notably the TFX, I think would be seriously prejudiced. I am quite sure the right hon. gentleman would not wish this to happen. I have given an indication of the magnitude of the uneconomic nature of this operation. In my opinion it would not make sense for us to engage in an uneconomic operation when we can secure the aircraft at a lower cost and at the same time have the equivalent U.S. expenditures made in Canada.

Mr. Diefenbaker: There is just one more question in connection with the figure given by the minister, the $2 million more per unit. Was the minister referring to Caribou II aircraft in that price, or was he referring to the Hercules?

Mr. Drury: The Hercules.

Mr. Diefenbaker: Would not the Caribou II have been sufficient for the Canadian air force, and what would have been the cost of them?

Mr. Drury: No; the Caribou aircraft is completely different and designed for a completely different purpose. What the Royal Canadian Air Force is seeking and needs is a long range, high speed, large capacity transport aircraft. These are not the characteristics of the Caribou II. The outstanding feature of it is the short take-off and landing, but a limited range and, by comparison with the Hercules, a very limited capacity.

[*Translation*]

Mr. Pigeon: Mr. Chairman, I only have one question to ask the Minister of Industry and Defence Production. Following the decision taken by Trans-Canada Air Lines to buy American aircraft, can the minister tell the house what will be the value in dollars and cents of the parts which will be manufactured in Canadian aircraft factories, such as Canadair, for instance?

[*Text*]

Mr. Drury: If the hon. member does not mind, I shall reply in English. The arrangements between Douglas Aircraft in the United States and de Havilland in Toronto with respect to the DC-9 aircraft, which is the one under discussion, provide that total purchases from de Havilland Aircraft in Canada may well exceed the total cost of the aircraft being bought by Air Canada for its purposes. If the DC-9 goes as well as it is hoped, it is likely the total expenditures by Douglas at de Havilland will be greater than the total purchase price paid by Air Canada for the aircraft required.

[*Translation*]

Mr. Pigeon: A supplementary question, Mr. Chairman. Can the minister tell the house what amount of money will be spent at Canadair, should certain parts be made there?

[*Text*]

Mr. Drury: Well, Mr. Chairman, there are some subcontracts from de Havilland to Canadair with respect to the DC-9, but I am sorry I do not know precisely what they are.

Mr. Ricard: Could the minister give us any definite estimate as to what amount of money we can expect from the United States? It is all very well for him to say it may exceed the purchase amount involved, but this will

not satisfy the people in Montreal working for Canadair or for the other aircraft companies. We want something definite. I think it would not be too much trouble for him to give these figures, and we shall be lenient with respect to a differential of 5 or 10 per cent.

Mr. Drury: Unfortunately the hon. gentleman is asking me to forecast the future sales throughout the world of the DC-9. I think he will recognize it would be imprudent for me to engage in that kind of crystal ball gazing.

Item agreed to.

35e. Canadian Arsenals Limited—administration and operation, $501,100.

[*Translation*]

Mr. Pigeon: Mr. Chairman, the people of St. Paul l'Ermite are now very worried about the fate of the Canadian Arsenals plant, where a number of employees have been laid off.

Can the minister tell the house whether he anticipates an increase in the work force in that plant at a future date, following possible contracts obtained in the United States or in Canada?

I also want to ask the minister whether there is a possibility of reviewing the agreements between the municipality of St. Paul l'Ermite and the federal government in respect of the grants the latter is paying the municipality in lieu of school and municipal taxes. The responsibilities of the municipality of St. Paul l'Ermite have been increasing constantly, and it would be important to review the arrangement and raise the federal grants in lieu of school and municipal taxes.

I would be grateful to the minister if he would answer the first part of my question and tell me whether he intends trying to obtain rather big contracts large enough so that the work force would be increased, instead of being reduced as it is now the case.

[*Text*]

Mr. Drury: In response to the first part of the question, the only possible client of Canadian Arsenals is the Department of National Defence. The United States is quite firm that it will not contemplate placing orders with Canadian Arsenals when its own arsenals, like ours, are being under used and under employed.

I would be misleading the hon. member if I were to suggest that it appears from the white paper that the position of Canadian Arsenals in the near future will substantially increase its work, particularly the kind carried out at St. Paul l'Ermite, which has reference to filling of fixed round ammunition. It is unlikely this is going to increase substantially in the future. In response to the second part of the question I shall be glad to look into the matter of the grant in lieu of taxes paid by Canadian Arsenals to the municipality.

[*Translation*]

Mr. Marcoux: Mr. Chairman, just like in Quebec city, there is in my riding a plant of the Canadian Arsenals Company Limited, and I think that the same problems arise there as throughout the province, if not throughout the country.

Could the minister inform the house whether the supplementary estimates of the Canadian Arsenals, and more especially their administrative and operational costs, include the tenders called for the sale of those plants, since it is widely rumoured that the plants in Quebec city and Valcartier will be put up for sale, to be operated by private enterprise as manufacturers of ammunition and other commodities?

Would the minister tell us therefore whether the amount of $501,100 includes the disposal costs of the Quebec city and Valcartier plants?

[*Text*]

Mr. Drury: Mr. Chairman, there is a proposal to dispose of the plant at Valcartier but there is not at the moment a proposal to dispose of the plant at Louise basin in Quebec. As the hon. gentleman knows, the so-called citadel plant on Palace hill has now been closed down and in the not too distant future will be disposed of, but in so far as the hon. member has referred to the plant in Louise basin, this will be retained by Canadian Arsenals. Included in the supplementary estimates, vote 35e, are funds required for the administration of Canadian Arsenals, which include the operations to which I have made reference.

Mr. Peters: Is there anything under this item for the storage and maintenance by Canadian Arsenals of the Bomarc missiles?

Mr. Drury: The upkeep of the Bomarc missiles is the responsibility *in situ* of the R.C.A.F. and not of Canadian Arsenals.

Mr. Peters: Do we keep a storage of spares in the Canadian Arsenals set up?

Mr. Drury: No, Mr. Chairman.

Item agreed to.

DEPARTMENT OF FINANCE

1e. Departmental administration, $61,900.

Mr. Nowlan: Mr. Chairman, there are many things one can say about finance but I am not so sure this is the time to say them. Most of them have been said during the past week, and the minister is not here at the moment. We understand why he is not here because of the load he has been carrying, and it is perhaps just as well he was not in the house

to hear some of the kindly comments made about the way the affairs of the department were administered, which resulted in the situation we found ourselves in yesterday, and which I understand is not yet solved.

I am not sure whether there is an appropriations bill coming up this afternoon or not, but we were told yesterday one was imminent, or coming over the horizon, with respect to the unemployment insurance fund.

Under this vote we have professional and special services, and I would ask the parliamentary secretary what were the professional and special services amounting to $29,500 as outlined in this item?

Mr. Benson: Professional services consisted of several items. The largest one of them was the firm of James R. Carmichael and Company, engaged to provide a technical review of the existing government workshops and other government services, and this cost $18,000. There was another item for P. Maury Mitchell, $2,500, and Professor Hood was engaged as a special consultant for $2,900, and so on.

Mr. Mather: As we come to the end of our happy Easter holiday period, I have three good will suggestions to make to the Department of Finance, and if any one of them were adopted it would be in the interest and the welfare of the people of Canada. If I have one minute for each proposition, Mr. Chairman, I think I can confine myself to that time. In the first place I would urge the Department of Finance to take an early look at adopting the well established practice of the United States finance department in exempting from personal income tax the interest portion of mortgage payments on homes. Anybody who has bought or sold a house in Canada must be well acquainted with the fact that the interest portion of the payments for these homes—and most of them are bought on credit—are very heavy and continue for a very long time. The Americans stimulate the home building industry and encourage home building and the establishment of homesteads by this practice of exempting from income tax the interest portion of the mortgage payments. I urge that we consider this.

My second proposition is that Canada should cease to be one of the few remaining countries in the world which has no capital gains tax on stock market speculation profits. The point was urged a week or two ago by my colleague the hon. member for Nanaimo-Cowichan-The Islands, and I reiterate it, that we are losing many millions of dollars of revenue which could come to us legitimately. This revenue could be obtained were we to impose a capital gains tax on stock market speculation profits.

My third and final proposition is this. I think when we consider the fact that something like 40 cents out of every federal dollar goes to pay either the interest on our federal debt or goes to the amounts that we spend on defence, this is a situation which requires very serious study in depth by us all. We have only to consider the vast amounts of money involved in these two channels of expenditures, and I think if we put our heads together, perhaps in a special committee or in a special review, this would be well worth while; it would perhaps result in substantial savings to the taxpayers. It is a fact that we now spend, just to pay for our federal borrowings, $2 million every day. It is another fact that we spend on defence purposes, when the value of some of these defence purposes is very dubious, $2 million every 12 hours. These are immense expenditures, and if we do not come to grips with this problem and reduce these expenditures I fail to see how we can ever hope to make substantial progress in easing the burden on our taxpayers. These are my three propositions, Mr. Chairman, and I hope the Department of Finance will be good enough to take them into consideration.

Mr. Benson: Mr. Chairman, I will be pleased to bring these matters to the attention of the Minister of Finance.

[*Translation*]

Mr. Pigeon: Mr. Chairman, I wish to ask the parliamentary secretary to the Minister of Finance (Mr. Benson) if all the provinces signed with the federal government an agreement to benefit from the municipal loans program. The minister must have received protests from some organizations about those loans about which some provinces are not too happy because they represent interference by the federal government in a provincial field of jurisdiction.

Would the minister tell us if it is true that the auditors of the Department of Finance in Ottawa go through the provinces' books and if he feels that this is interfering in a field which, normally, should come under provincial and not federal jurisdiction?

[*Text*]

Mr. Benson: Mr. Chairman, I think the hon. member is speaking to vote 38e, which we have not yet come to. I will attempt to get the information he has asked for and give it to him at that time. If it is not readily available, I will get it after the estimates are concluded and pass it on to him.

Item agreed to.

30e. Royal Canadian Mint—Administration, operation and maintenance, $128,600.

Mr. Winch: Mr. Chairman, I should like to ask a question on this item. With regard to the Royal Canadian Mint I have found there has been a fairly stabilized vote in the estimates in the years I have been in this house. May I ask just what is meant by this additional vote when it includes an item for "Professional and special services" and an amount of $65,000 for "Express on coin shipments", in view of the fact that in past years this has always been a regularized vote, very rarely requiring a supplementary vote? What is the reason for asking for this amount now?

Mr. Benson: I am very pleased to answer this question, Mr. Chairman. With regard to the item for professional and special services, a survey of the mint facilities was carried out by a firm of management consultants, Stevenson and Kellogg Ltd. This is the reason for the additional vote.

Mr. Winch: Mr. Chairman, may I ask if the report of Stevenson and Kellogg will be filed in this house? This is an administration item, is it?

Mr. Benson: It is administration.

Mr. Winch: Will the report on this survey be filed in the house?

Mr. Benson: No, Mr. Chairman. The second question raised by the hon. member concerns the additional cost involved in express on coin shipments. It happened that the mint worked at almost full capacity this year, operating 21 hours a day, and an additional 75 million coins were turned out. The original estimate was based on 325 million coins and actually 400 million coins were turned out during the year. The additional express shipment costs arise from this, as do the additional costs for suppliers for coining and medal work. The extra repairs and upkeep of equipment costs arose because the mint was operating to such a high percentage of capacity.

Mr. Winch: Mr. Chairman, may I ask whether by any chance the item for supplies for coining and medal work has anything to do with any work for special medallions or coins for the Quebec centennial or the centennial of Canada? Is this included here at all?

Mr. Benson: I understand it is not, Mr. Chairman. It is simply that there were many more coins turned out during the particular year than had been originally estimated. The original estimate of the number of coins was 325 million; the actual number turned out was 400 million. This is just the additional cost involved.

[Mr. Benson.]

Mr. Nowlan: Mr. Chairman, I think the parliamentary secretary might express to the governor of the mint, Mr. Parker, and his staff our appreciation for the tremendous load they have carried. This astronomical increase in the production of coins is shown here in the additional express costs, and this additional production was carried out by a mint which was built many, many years ago, is not streamlined and does not have the accommodation for this large production. I think we have in the mint a group of officers and men who deserve the commendation of this house.

Mr. Benson: I will be pleased to pass that commendation on, Mr. Chairman.

Mr. Peters: Mr. Chairman, in view of the fact that the mint is completely swamped at the present time, particularly in the production of silver dollars which are a commemorative item this year—it is said that the orders will be delayed by at least six months—can the parliamentary secretary indicate whether the Stevenson and Kellogg report into the administration of the mint made a recommendation for new accommodation, and how long is anticipated before this can be completed? Coming from a silver industry community, I would be very happy to see this type of increase continue for many years. The amount of silver being used has warranted an increase in the price of silver, and therefore we are very happy about the situation. But I believe the people in the mint are working under conditions which present an almost impossible task, and it looks as though this is not an extra load but is the normal increase that is taking place across the world in the production of coins. The government should have some plan in this regard and should be prepared to give us some outline of that plan for improving this situation, because it does not amount to an emergency but is a continuing and growing problem that will be with us for some time.

Mr. Benson: Mr. Chairman, the survey carried out this year was in connection with plant and lay-out, for which this additional estimate is being put forward. Many of the recommendations of Stevenson and Kellogg are being carried out in the mint now with regard to the matter of plant and lay-out. The second stage, which is the designing of a new mint, a new operational unit which will have a much higher capacity than the existing mint, is under study at the present time.

Mr. Peters: I realize the parliamentary secretary may not be able to tell us when, but it seems that no matter what they do with the present facility they will not be able to meet the demand or to keep up with it.

Mr. Benson: I understand that we will have the report in about six months and that it will take from two to two and a half years to complete the new mint.

Item agreed to.

38e. Administration, $68,000.

Mr. Nowlan: Mr. Chairman, this is the first time that the word "salaries" is used in this department. I wonder whether the parliamentary secretary can tell us whether any salaries are outstanding as at the end of the month. I know there is another item of some $11 million which I think is of special significance, but there was a report current in the building today that some employees who were casual, rather than on salary, could not get paid because the money was not available. I wonder whether there is any substance to this report and whether the parliamentary secretary can deal with the matter now.

Mr. Benson: Although this does not necessarily apply to this department—

Mr. Nowlan: No, I realize that.

Mr. Benson: —as I understand it all current salaries have been paid. However, the retroactive increases are being held up until the estimates are through the house. These are the retroactive increases only, not the regular salaries.

Mr. Nowlan: Then all salaries due and current at the moment have been paid, and all wages as at this week end have also been paid?

Mr. Benson: Yes, except for the retroactive portion of them.

Mr. Douglas: Mr. Chairman, there is one matter which I have wanted to raise all week and I think this is the best item under which to raise it. I think all Canadians were pleased when the Prime Minister indicated to President Johnson that Canada would be quite willing to help in any way we could in providing assistance to the victims of the earthquake in Alaska. This points up the fact that in Canada we really have no machinery for dealing with civil disasters in our country. In the United States there is established machinery whereby at the request of the governor of a state an area is declared a disaster area, and legislative machinery immediately moves into operation to deal with the emergency situation and to help the victims of the particular disaster. I have long thought that we in Canada ought to have some type of machinery established to deal with civil disasters. I recall the Rimouski fire in Quebec, the Humber flood which affected a large number of people in the suburban areas of metropolitan Toronto, the Red river flood which inundated a good part of the city of Winnipeg and the city of St. Boniface, and other disasters of that type which we had to meet on an ad hoc basis.

It takes a certain amount of time to work out a plan of operation between federal, provincial and municipal authorities, as well as charitable organizations who are willing to help. The Canadian people in all these disasters have been most generous, and the delay has not been anyone's fault. The delay has been occasioned by the fact that we have no legal machinery which automatically moves into operation.

I want to use this item to suggest that the government give consideration to consulting with the provinces with a view to preparing civil disaster legislation, so that when any natural disaster takes place there will be an agreed division and apportionment of the costs between federal, provincial and municipal authorities, making use of the emergency measures organization, the army, the Red Cross, the health organizations, all of whom can move into a disaster area immediately, take up their posts, know what are their responsibilities, know what authority they have, and be able to co-ordinate the efforts of private organizations to deal with the situation.

I am not saying this in any spirit of criticism; we have just never faced up to the problem in this country. I think the government could make a good name for itself as well as serve a very useful function by giving consideration to legislation of this type, and I think the provinces would be very glad to co-operate.

The emergency measures organization, which I personally always thought had some value mainly in the field of civil disaster, has operated very well wherever there has been a situation which required their services. But, of course, they have no authority and can only assist the municipal and provincial authorities. They have no funds at their disposal; they have no legislative authority; and they are greatly hampered in doing the job which I think they could do. I think that what happened in the Alberni valley last week is a very good example of this. The minister of northern affairs, who was given responsibility by the federal government to attend to this matter, has in my opinion, been most assiduous in trying to help, and I think the government has responded so far as it has been able to do so.

Last Sunday I spent the entire day in the Alberni valley visiting Alberni and Port Alberni, and when I returned to the mainland I sent a telegram to the Prime Minister. I am very glad that the troops were moved

in and I know that any further assistance, so far as permanent rehabilitation is concerned, depends on an appeal being received from the provincial government. I feel certain that if and when the provincial government makes such an appeal the government of Canada will respond, and I hope they will respond generously.

I want to remind the government that in the Rimouski fire and the Red river flood—I think also in the Humber flood but I am not quite sure about that—persons whose homes were damaged or destroyed were enabled to replace them completely. Even small businessmen were assisted in the restoration of their places of business. But in the Alberni valley the damage will be worse. In the other instances people could claim flood damage, but I am told by some of the insurance adjusters that in the case of the Alberni valley this damage is considered to be caused by a tidal wave and is not covered by the ordinary flood insurance provisions. I do not know whether or not that is correct, but if it is correct it means that these unfortunate people will not even get flood insurance. I think roughly 50 homes were completely demolished, and the estimate I received was that 300 homes were badly damaged. And when these people say "badly" they mean that homes have been moved off their foundations, sometimes toppled over on their ends, all furniture smashed, all bedding, clothing, dishes and utensils rendered useless; so these people are in very difficult circumstances.

It is true that in terms of degree it does not amount to anything like the disaster which has been experienced in Alaska; but for the several hundred families which are directly affected it is a disaster. I have been urging all week that in addition to what the federal government is prepared to do to rehabilitate these people at the request of the government of British Columbia, the government should in the meantime give some serious thought to making a substantial financial contribution to the Alberni valley disaster fund. I think this would do two things. First, it would enable the excellent committee which has been set up to know they have some money behind them, and would enable them to take care of the people who are homeless. The committee has as its honorary chairman the lieutenant governor of the province, and I believe wires have also been sent to the premier of the province and the leader of the opposition to act as honorary vice chairman. The mayors of two cities, Mayor Hammer of Port Alberni and Mayor Bishop of Alberni, have set up an excellent committee; they are getting good co-operation from the emergency measures organization and private organizations like the Salvation Army. They have a very good welfare officer there from Vancouver and I think they have the machinery to do a very adequate job of looking after those who are homeless. When I left there on Sunday evening there were still 77 families without a roof over their heads. I think some 233 families had been placed with their neighbours and they had some temporary accommodation. But all these families will, when they get back into their homes, require not only the money needed for the rebuilding of those homes but, in addition, all the furniture, bedding and other things which are necessary to set up housekeeping.

I think it would be a tremendous boost to the morale of these people if the government were to announce it would put a very substantial sum into this disaster fund. This would not preclude the government from sitting down later with the government of British Columbia and working out some shared program for the cost of the replacement of these homes and places of business. However, in the meantime, while the British Columbia government is making its survey and getting ready to make its representation to Ottawa, I feel something should be done immediately.

I recognize the minister's difficulty. He cannot intervene in a provincial situation without the consent of the provincial government concerned. But I do not think it requires consent from anyone to make a contribution to a disaster fund. I believe in the old idea that help delayed is virtually help denied and that the sooner we do something, the better.

I would therefore make these two requests to the government: First, that thought be given to enacting some type of civil disaster legislation so that when we face situations of this kind in the future legal machinery will be available whereby the people affected can be cared for expeditiously and effectively. Second, I ask that in this particular instance the government give some thought to making a contribution to the Alberni valley disaster fund, so that these people on the committee may have some money to take care of the immediate situation, pending a report on what must be done to rehabilitate these communities.

Mr. Winch: May I add a few words to what has been said by my hon. friend from Burnaby-Coquitlam? I was a member of the British Columbia legislature at the time of the major flooding of the Fraser river—the most serious floods we have experienced in British Columbia and one of the greatest disasters ever to hit our province. The army and the militia responded to the emergency but the arrangements for taking care of those directly affected were such that, to the best

of my knowledge, it was 18 months or two years before responsibility was accepted and settlements were made.

Once again we have been faced by a major disaster. My reason for wishing to add a few words to what has been said by my hon. friend from Burnaby-Coquitlam is that at the time of the flood disaster I was not only a member of the British Columbia house but leader of the opposition, and at that time I made an appeal in the legislature for legislation of exactly the kind my hon. friend is asking for now, that is, the establishment by law of a disaster fund applicable anywhere where the need arises. Why is it that we have to wait year after year, almost decade after decade, before consideration is given to a recommendation of this kind?

I have an additional reason for speaking in support of the appeal which has just been made to the government, and that is the present reported state of the emergency fund. May I direct a question to the Minister of Northern Affairs and National Resources, who is in his place and who has been given authority in this situation, and ask him to tell us the extent of the emergency disaster fund at the present moment? I have recently left our reading room and according to what the Vancouver papers say it consists of $50,000 guaranteed by the premier of British Columbia, $50,000 from a power company and $12,000 from anonymous donations. Thus, according to these newspaper reports, $112,000 is the extent of the disaster fund. Again, if the papers are correct, the damage amounts to an estimated $5 million not including the damage done to industry itself. This situation is pretty darned rotten, when a disaster fund produced by anonymous contributions and two guarantees amounts to $100,000 in the face of a need of that magnitude. No fund, nothing, no direct contribution from the federal government.

I certainly hope the observations of my hon. friend will be heeded. First, a disaster fund should be created, available on call whenever it might be needed and, second, consideration should be given, now, to the immediate provision of necessities by the federal government to those who are in need.

Mr. Diefenbaker: I do not want to review what has already been said. I believe the emergency measures organization is fully effective in carrying out the ordinary duties which follow disasters whenever they may take place. Indeed I recall one or two occasions when the services of that organization were made available and it carried out its responsibilities in a manner which brought honour to all who were engaged. However that is not why I wish to speak.

My observations have to do with the suggestion made by the hon. member for Burnaby-Coquitlam, that the government of Canada might well consider making a contribution to the disaster fund. I feel that action along this line would receive general support in the house and I rise merely to repeat what I have said on earlier occasions in the questions I have asked, namely that anything done by the government in this connection would receive the support of the opposition.

Certainly, the constitutional division of responsibility denies the making of any direct contribution to the areas which have been subject to disaster but I can see no difficulty about a contribution being made to alleviate the conditions under which many families find themselves in the Alberni area. The other day I stated the information I had was that the loss ran into tens of millions of dollars. The minister said the estimate of total damage he had was $5 million. I brought his estimate to the attention of the people who had communicated with me and they told me they thought it was far too low. I recognize, of course, that immediately after a catastrophe strikes the estimates sometimes far exceed what subsequent investigation actually determines the losses to be. Suffice it to say that I wanted to make clear that any assistance given to that fund will receive our unqualified support.

Mr. Laing: Mr. Chairman, the first two hon. members who spoke decided to use this item to impress upon the government the advisability of setting up some organization of a permanent nature which would take over automatically in the case of disasters in the country. I think the idea has much to commend it, but I do want to say that in respect of the difficulty in the Alberni valley there has been the closest co-operation and instantaneous action on the part of E.M.O., the Canadian Red Cross, the civil defence organization and various other agencies.

I have attempted to keep in touch as closely as I could with Mayor Hammer and Mayor Bishop of the two cities. After my wire to Hon. W. D. Black on Monday, in which I asked him to furnish us with a copy of the assessment of loss, he advised me that they were holding a cabinet meeting on Thursday and he would get in touch with me immediately thereafter. Yesterday I talked to the two mayors again and asked if in their view it would seem reasonable for us to withhold any decision as to the making of a contribution to the fund until after this meeting of the British Columbia cabinet on Thursday. I pointed out that if we were making a contribution to the repairing of the damage it

would be several times the $50,000 that the province of British Columbia has contributed.

I believe that yesterday the provincial cabinet appointed a firm of insurance adjusters, E. A. Earl and Associates of Vancouver, who have been asked to make an assessment of the damage and to report to the government in one week, so that from the viewpoint of our participation the matter apparently has been delayed a week. I want to tell hon. members that if we are not called upon to participate in the ordinary course of events, with the province in the rehabilitation, I will have no hesitation in recommending to my colleagues that a very substantial contribution be made to the disaster fund, but I rather expect that we may be asked to participate in the rehabilitation of the community as a whole.

Mr. Douglas: Mr. Chairman, I am not going to belabour this point or delay the committee, except to make one observation about the minister's remarks. I quite agree with what both he and the Leader of the Opposition have said about the emergency measures organization being most effective and most helpful. I had the privilege on Sunday afternoon of sitting in on a meeting chaired by the two mayors, which was attended by representatives of all organizations, including a representative from the emergency measures organization, and I quite agree that E.M.O. can serve a useful purpose in co-ordinating the efforts of the different groups.

This does not alter the fact that neither E.M.O. nor anyone else there had the authority to spend one red cent. A representative was there from the department of social welfare and he said, "I have no authority". The two mayors said, "We have no money". The Red Cross and the Salvation Army were the only two groups which said that they had received some authority from their national organizations and could spend up to X thousand dollars, neither of which amounts, or both together, would be enough to make a reasonable approach to the problem, let alone solve it.

I am not suggesting that legislation be brought down to set up a permanent organization. What I am suggesting is that we set up legislative authority so that when, on the request of a provincial premier, an area is declared a disaster area the federal government will be authorized to move in troops or engineers where necessary, and so that funds will automatically be available on some prearranged percentage basis. In this way the committee which is established including a federal representative, a provincial representative and a municipal representative will know that they can proceed immediately to buy clothing, bedding, and whatever equipment they need to take care of destitute people.

That is my real concern, and I point out that there is still nothing being done about it. When you go to visit a home, as I did, and see six or eight inches of mud on the floor, all the furniture overturned, the house sitting at an angle of 45 degrees and the man and woman who have been up all night trying to bail out the water and shovel out the mud while having no place to sleep, and not even being able to prepare a meal for themselves, then it is not enough to say that in a week or two the governments will get together and do something about it. What I am pleading for is the kind of machinery under which organizations can move into an area knowing that they can draw on the federal and provincial treasuries for some stipulated amount of money which would have to be accounted for, but which could be used immediately to set up outdoor kitchens and emergency shelter, so that people who are in dire circumstances will not be allowed to go in want.

We have had a number of disasters in Canada and it would be very interesting to trace how many funds were set up and where those funds are today. In the case of many of these funds there was a residue, after everything had been taken care of, and the money is lying somewhere; but before you can spend that money you have to find the trustees of the fund, which is not easy. If we had some sort of national organization set up and funds were raised, then anything that was left over after a particular disaster had been taken care of would revert to the fund and would be available for use in the next disaster. We would always have some money on hand and those charged with the responsibility of trying to render help in an emergency would know that those funds were available. This is what I am pleading for and I hope the government will give some thought to it.

Item agreed to.

45e. Grants to municipalities in accordance with the Municipal Grants Act and regulations made thereunder, $2,800,000.

Mr. Diefenbaker: Mr. Chairman, would the parliamentary secretary give a statement setting out the number of loans that have been made under the Municipal Grants Act since the act came into effect?

Mr. Benson: Mr. Chairman, I think the Leader of the Opposition is on a different item. Item 45e is the one now before the committee.

Mr. Diefenbaker: Well, perhaps the parliamentary secretary would answer that even at this stage. He has that information.

Mr. Benson: Mr. Chairman, I will get that information and pass it on to the right hon. Leader of the Opposition.

Mr. Diefenbaker: Mr. Chairman, if the committee will allow me I should like to refer generally to the estimates before the committee. I understand that the other place has adjourned until this afternoon. They have been waiting in expectation for several days for the appropriation bill. There are certain items in connection with the estimates that I believe deserve immediate attention. There is, of course, the replenishment of the unemployment insurance fund. That has received the consideration of the committee. Then there are certain items dealing with salaries, and also an item dealing with veterans. All of these items are of an emergent nature if the information that has been given to the committee is to be regarded as entirely in keeping with the facts. That is particularly so with regard to the deficiency in the unemployment insurance fund. We want to co-operate in every way. There is obviously no possibility of the many more items that still remain being passed. I make the suggestion that if there is any emergency, an appropriation bill be brought in now covering the items I have mentioned that are of immediate necessity, and in so far as the official opposition is concerned we will forthwith pass the resolution and the three readings. Then, these particular items could receive the attention of the other place this afternoon and also receive royal assent.

If, however, there is no emergency and there is no need for those items being passed this week, then I am not pressing the government for action. Either there is an emergency in the fund which was not brought to our attention except by the indirectest of indirection, until Wednesday, or there is no emergency. I am not going into that now. The Minister of Labour is in more than affable good humour at the moment as compared with the last couple of days. Since he is in that happy mood, perhaps this indicates there is no emergency such as that which existed two or three days ago. If an emergency still exists I suggest that the committee, in a desire to co-operate, may rise, report progress and then the appropriate resolution could be introduced covering those three items. The bill could be passed because we have discussed these matters fully. In that way, everyone would be satisfied that a good week's work had been completed.

My colleague suggests that perhaps all the items that have been passed so far could be included in this bill. Then, perhaps the Minister of Labour would continue to be as congenial as he is at the moment. I make that suggestion in a desire to co-operate to the fullest degree.

Mr. Knowles: I wonder if I may say a word about the suggestion made by the Leader of the Opposition. As the committee will recall, last Wednesday evening when we were discussing the item relating to the unemployment insurance fund, a discussion which we had as a result of our proposal, the hon. member for Skeena made a particular request that whatever else happened that item might be put into final legislative form this week. I believe the Minister of Justice or the Minister of Labour gave an assurance that this would be done. Therefore, Mr. Chairman, the suggestion that is now being made by the Leader of the Opposition is in line with the suggestion made by us in this party two or three days ago. We would support the proposition that a bill be brought in incorporating the items that have thus far been passed in committee of supply, or as far as the government can go, and that such a bill be passed this afternoon.

Mr. McIlraith: We had a bill printed including all the items that were passed up to last night, because those were the latest printing arrangements I was able to make. I had in mind, depending on what happened as these items went along this afternoon, asking leave of the committee to introduce such a bill.

Now, this new suggestion I would want to discuss—

Mr. Diefenbaker: I am not pressing that; bring the bill in as it is.

Mr. McIlraith: I would want to be left free to discuss the new suggestion with the law officers of parliament, because I am not sure it is possible to have a bill ready containing items that are not yet passed, including the items named by the Leader of the Opposition.

Mr. Diefenbaker: If the minister would simply call those items, I think we would pass them automatically. They are the ones for the veterans, for salaries, and so on. The items for veterans, and so on, would have to be passed. In other words, we cannot have them included without passing them.

Mr. McIlraith: I realize that, but I am afraid I had not succeeded in completing my remarks. I am not sure that it is possible to have these items included, for technical reasons only. I should like to leave part of the suggestion open at the moment until I have had an opportunity of consulting with the law officers of the crown, to see if it is

possible to have the items which we would pass in the next few minutes included in the bill.

I had proposed introducing a bill at four o'clock, if that meets with the wishes of the committee. This bill would include all the items that have been passed up to that time. If it is possible, I am very agreeable, of course, to including the items mentioned by the Leader of the Opposition.

Now as to the other items I am not able to say with certainty that the failure to pass them will not hold up certain payments. I am sure the former minister of finance will understand that. However, if the committee will continue dealing with the items I will see what, if any, items we can add to those which were passed prior to last night and are in the bill.

Mr. Nowlan: I take it the $11 million item, which we are almost up to now, could be passed. I take it that is the retroactive salary increases?

Mr. Douglas: Item 45e has to do with municipal grants? Is this the item about which the Leader of the Opposition was asking earlier?

Mr. Benson: No, he was asking about loans, and I undertook to give that information later. These are grants in lieu of taxes.

Mr. Douglas: These are grants in lieu of taxes?

Mr. Benson: Yes.

Mr. Loney: Could the parliamentary secretary give us the details concerning the additional amount?

Mr. Benson: The main estimates contained provision for $27,700,000 and supplementary estimates (A) for $1 million. This item requests an additional $2,800,000. This arises because during the current fiscal year it has been possible to authorize for payment of more grants to municipalities than during the same period last year. These take some time to process, but we are getting caught up and they are on a current basis. This has resulted in a reduction of the backlog of grants to municipalities.

Item agreed to.

56e. To authorize the treasury board to delete from the accounts certain debts due, and claims by, Her Majesty, each of which is in excess of $1,000, amounting in the aggregate to $268,434.88 of which $15,943.01 represents three items that have been carried as assets in the statement of assets and liabilities, $15,945.

Mr. Douglas: This is merely an amount of debt that we are being asked to wipe out?

Mr. Benson: The total amount of debts being written off comes to $268,434.88, as shown in the schedule. I can give the general reason for these debts being written off by the various departments, if this would suffice. Under the Department of Trade and Commerce there is $13,259.26, which is a loss on the sale of shares originally purchased to gain access to a building in Sydney, Australia, for use by the Canadian commercial counsellor and staff. They were carried as an asset in the accounts, instead of being written off.

Under the Department of Veterans Affairs, the Veterans Rehabilitation Act, the sum there represents the failure to repay two student veteran loans. Under the Department of Citizenship and Immigration, this represents the amount by which each original soldier settlement loan was reduced by treasury board authority, pursuant to provisions of order in council P.C. 98/6761 of November 1, 1945. Write-off action for these reductions has long been delayed but has now received treasury board approval. There are ten debts involved.

Under the Department of Justice, this was debt resulting from overpayment of salary and related benefits, where actual service was performed with no evidence of fraud, and collection would create a hardship. Under the national capital commission, this is debt resulting from the illegal employment of one person over 70 years. Under the Department of National Defence these were debts resulting from the illegal employment of persons over 65 years, where actual service was performed with no evidence of fraud, and collection would create a hardship. There are ten debts involved.

Under the Department of Transport, these were debts resulting from failure to repay telecommunication services, and for the supply of hydroelectric power during temporary shutdown of the Welland canal. There are two debts involved in this. Under the unemployment insurance commission this was overpayment made for a staff training course given by consultants. The debtor pointed out that the course had been given to C.N.R. employees at a loss, on the understanding that the insurance commission would undertake to pay. Under the Department of Veterans Affairs, these are debts resulting from the overpayment of allowances under the War Veterans Allowance Act, and there are 80 debts involved.

Item agreed to.

70e. To supplement other votes, subject to the approval of the treasury board, for the payment of salaries, wages and other pay list charges, $11,000,000.

Mr. Nowlan: I take it this is the item that covers the retroactive increases.

Mr. Benson: Yes, the retroactive increases.

Item agreed to.

77e. To provide that, for the purposes of the Public Service Superannuation Act, a person who died during a period ending before February, 1962 in which he was absent from duty without leave, and in respect of whom a death benefit would have been payable had he died under similar circumstances on February 1, 1962, shall be deemed to have been a public service participant throughout the said period, $1.

Mr. Knowles: Mr. Chairman, I should like to say a brief word on this item. It is another legislative item which makes certain changes with respect to the Public Service Superannuation Act, and I urge on the government that it give more active consideration to the plight of retired civil servants. If it has not got time to bring in a bill, then I would like to see the government introduce one of these estimates for $1 that would change the terms of the Public Service Pension Adjustment Act, so as to make further increases in the pensions of civil servants already retired.

As the parliamentary secretary knows, this is a matter which has been considered over and over again by various ministers, but a while ago we were told by the Minister of Finance that these people would have to wait and see what the Canada pension plan might do for them. It is now obvious the Canada pension plan is not going to do anything for civil servants already retired. I hope one of these days, when improvements are being made in public service superannuation legislation, something will be done for civil servants already retired, and I hope it will be done soon.

Item agreed to.

80e. Government's contribution to the hospitalization (outside Canada) plan, $100,000.

Mr. Knowles: I have no doubt the parliamentary secretary has a note explaining this item. Could he give it to us?

Mr. Benson: Briefly, this supplementary estimate is required as a result of an amendment to chapter 34 medical services of the Queen's regulations and orders of the Royal Canadian Navy, royal Canadian army and the Royal Canadian Air Force. This amendment introduced charges for medical services in service hospitals, and changed the basis of charges for hospital care. The charge to participants under the hospital insurance outside Canada plan who received in-patient care in service hospitals on or before September 1, 1963, was increased from $16 to $23 a day, as a result of the amendment, requiring the additional amount beyond the $425,000 which was authorized in the original estimates.

Mr. Winch: May I just say briefly I was hoping this went beyond that, because there is a hospitalization plan now all across Canada. There is also one in the Scandinavian countries and in the United Kingdom. If one goes from the Scandinavian countries to the United Kingdom he is covered by hospitalization, and if people go from the United Kingdom to the Scandinavian countries they are covered. I was hoping we would extend our hospitalization plan to accept this, so that when we go overseas we would be covered and when overseas visitors come to Canada they would be covered. I hope this will be considered by the government.

Item agreed to.

The Chairman: This completes the supplementary estimates for the Department of Finance. The Department of Fisheries is next.

Mr. Nowlan: I wonder if I might make a suggestion to the parliamentary secretary to the Minister of Finance. Probably the house leader at this moment is having some discussion as to how many items we could go through this afternoon and, as the Leader of the Opposition pointed out, we are prepared to pass certain ones, and some of them have already been dealt with. There are some other cash items, however, and we are particularly concerned with the Department of Veterans Affairs. These items include payments of war veterans allowances. So far as the official opposition is concerned we are prepared to pass the veterans affairs items very quickly, so that they might be included in any bill which could be brought in a little later on this afternoon.

I understand there are also two items in the estimates of the Department of Labour which were bypassed the other afternoon when we dealt with unemployment insurance. If we dealt with veterans affairs, and time permitted, I suggest we go back to the two items in the labour estimates which we bypassed the other day, if that is agreeable to the house leader.

Mr. McIlraith: I have one problem. Since speaking on this subject a few minutes ago I have raised the question of what can be included in a bill at this stage for almost immediate passage, and for sending over to the other place. I am advised that it is not going to be possible, without taking some time, to add items to the bill already printed, which includes the items passed up until last night; but I have a suggestion which I think will deal with the problem.

If we bring in an appropriations bill for all the items passed up to last night, pass it and send it over to the other place, then having passed the items mentioned by the hon. member for Digby-Annapolis-Kings later today,

we can bring in another appropriations bill on Monday and get it over very quickly.

Mr. Nowlan: All right.

Mr. McIlraith: I would like to do it the other way but I am informed it is just not physically possible.

Mr. Knowles: That seems to make sense. Since we are in an hiatus between finance and fisheries, may I suggest this might be a good time to bring in the bill that implements everything that was done up until last night, and while Their Honours in the other place are considering it, we can see how many other items we can pass for another bill for Monday.

Mr. Douglas: I have one other suggestion to make. When we come back to these estimates I would like the minister to set them out in order of priority, so that we can deal with those which are needed most, so that when the bill comes in on Monday, it would cover the items which the minister considers most pressing.

Mr. McIlraith: I have another suggestion. If there is any possibility of getting a second bill ready later this afternoon I should like to leave that possibility open.

Mr. Knowles: Let us rise and bring in the bill.

Resolutions adopted in committee of supply this day reported and concurred in.

WAYS AND MEANS

The house in committee of ways and means, Mr. Batten in the chair.

Mr. McIlraith (for Mr. Gordon) moved:

Resolved, that towards making good the supply granted to Her Majesty on account of certain expenses of the public service for the fiscal year ending March 31, 1964, the sum of $130,793,985 be granted out of the consolidated revenue fund of Canada.

Motion agreed to.

Resolution reported and concurred in.

Mr. McIlraith (for Mr. Gordon) thereupon moved for leave to introduce Bill No. C-86, for granting to Her Majesty certain sums of money for the public service for the financial year ending March 31, 1964.

Motion agreed to and bill read the first time.

The Acting Speaker (Mr. Batten): When shall the said bill be read a second time? By unanimous consent, now?

Mr. Knowles: Now, by leave.

Mr. McIlraith (for Mr. Gordon) moved the second reading of the bill.

[Mr. McIlraith.]

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Lamoureux in the chair.

On clause 1—*Short title.*

Mr. Peters: Mr. Chairman, as this appropriation bill was ready this morning, and the government did not see any way of adding to it, I think it was unfair that it was not presented earlier, for the benefit of the other place.

Clauses 1 to 6 inclusive agreed to.

Schedule agreed to.

Bill reported.

Mr. Deputy Speaker: When shall the said bill be read a third time? By unanimous consent, now?

Mr. Knowles: Now, by leave.

Mr. McIlraith (for Mr. Gordon) thereupon moved the third reading of the bill.

Motion agreed to, and bill read the third time and passed.

SUPPLY

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

Mr. Drury: Mr. Chairman, I wonder if you would call vote No. 50e of the Department of Labour.

The Chairman: Is that agreed?

Some hon. Members: Agreed.

DEPARTMENT OF LABOUR

50e. Administration of the Unemployment Insurance Act—To extend the purposes of vote 50 of the main estimates for 1963-64 to include a grant of $1,500 to the Canadian association for adult education to assist in defraying the expenses of the national seminar on guidance and counselling held in Canada in November, 1963 and to provide a further amount of, $720,000.

The Chairman: Shall the vote carry?

Item agreed to.

55e. Transfer of labour to places where employment is available and expenses incidental thereto, in accordance with regulations of the governor in council, $18,000.

Mr. Peters: Mr. Chairman, would the minister care to explain to what areas this vote refers. Does it refer to the Bancroft and Elliot Lake areas, or are there other areas involved?

Mr. MacEachen: Mr. Chairman, the areas involved are Bell island, Newfoundland, and Sudbury, Ontario.

Mr. Peters: Are there continuous applications for a number of areas at the present

time, and is there still a backlog in Sudbury? It would appear there was in Bell island, according to the picture the other night. Also, is it completed at Bancroft and Elliot Lake? There has been quite a transfer there, I understand.

Mr. MacEachen: For the fiscal year just ended the total expended was $55,000. We need an additional sum as mentioned here to meet the expenses for workers and dependants from Bell island and Sudbury. I might tell my hon. friend that during the past fiscal year expenses were paid for 38 workers, 402 dependants and 97 sets of household effects. Transfer from Sudbury and Bell Island are as follows: Bell island, workers, 1; dependants, 273; household effects, 58. I believe that almost all the dependants from Bell island were located in Ontario. For Sudbury the number of workers was 58; dependants, 129; household effects, 39. I understand that a great proportion of this group was located at Thompson, and I believe a few in Elliot Lake. It may interest my hon. friend to know that at the present time the national employment service tells me there is a shortage of miners in Elliot Lake, for understandable reasons.

Mr. Diefenbaker: Mr. Chairman, I should like to ask the minister whether this particular fund is available to assist railway employees to move themselves and their families when the areas in which they have been located are on rail lines which have been closed down or abandoned.

This is a problem which deserves serious consideration by the government. Railway employees established in certain areas, naturally expecting to remain there, find themselves under the circumstances completely out of work and have to move to other locations. This is something which the representatives of the railway unions have pressed for strongly, and I think action in this regard should be considered. I would ask whether this item covers such a situation as I have placed before the committee.

Mr. MacEachen: Mr. Chairman, to my knowledge this particular form of transportation assistance has not been made available to railway workers. The particular areas, as my hon. friend knows, are declared eligible for this kind of assistance. I have asked the offices of the department to review this whole question of providing assistance for workers who wish to move from one part of the country to another, because it is my suspicion, if not my conviction, that at present this form of assistance is rather restrictive. To be eligible individuals must undergo a rather strict means test, and I think it might be possible to widen the program to include certainly a class of workers who are not absolutely destitute or completely without funds. I think these suggestions made by the Leader of the Opposition ought to be considered and will be considered in light of the review which is now under way in the department of this particular matter of providing assistance to workers displaced from one area, and who wish to go elsewhere.

Mr. MacInnis: A further question to the minister on that point. Despite the fact that one individual may be in what could be considered a high employment area, nevertheless he may be unable to get a job. Therefore, what yardstick is used in deciding whether he is eligible for assistance? After all, it matters not to an individual in that position whether there are hundreds more like him or not; the fact remains that the individual is out of work and is directly affected.

Mr. MacEachen: I think the present policy is that when a particular area is declared a surplus manpower area the individuals in that area become eligible. I agree with my hon. friend that the plight of a man who is unemployed and unable to find work in an area of high employment may be as severe as the position of any individual in an area which has been declared a surplus manpower area owing to general conditions. The suggestion made by my hon. friend will be considered, because I believe that the desire to increase mobility of workers is a worthy one, and if it can be achieved through assistance of this kind is a pretty worth-while investment.

Mr. Laprise: Mr. Chairman, could the minister tell the house whether the government has considered or will consider the possibility of setting up such a fund for the municipality of Parent, since the radar station located there has been closed down or will be in the near future? In view of the fact that the radar station provided practically the only employment for the local citizens, will such a fund be made available to them?

[*Text*]

Mr. MacEachen: I will be glad to ask for information about the particular area in question and to see whether it is eligible under present policy; and I will consider what can be done in light of that policy.

Item agreed to.

DEPARTMENT OF FISHERIES

70e. Assistance, in accordance with terms and conditions approved by the governor in council, for the construction of fishing vessels in respect of which capital subsidies authorized by vote 222 (Canadian maritime commission) of these estimates may not be paid, $200,000.

Mr. Diefenbaker: I should like to ask what the situation is with respect to fishing vessels since the withdrawal of the subsidies.

Mr. McIlraith: I am not clear what subsidies have been withdrawn. I do not quite follow the right hon. gentleman.

Mr. Diefenbaker: Is it not a fact that subsidies for the construction of fishing vessels are no longer in existence? Am I not right in that?

Mr. McIlraith: No, I think they are still in existence. There are a great many fishing vessels being built under subsidies at the present moment.

Mr. Diefenbaker: If the minister would tell the committee how this $200,000 is made up, that might answer my question.

Mr. McIlraith: In the main estimates there is an item of $300,000 to provide assistance for the construction of fishing vessels in respect of which capital subsidies are authorized. The vote number is 222. This supplementary estimate is for $200,000. By October 1963 applications for payment of subsidies had exceeded the anticipated requirements and an additional allotment was made. In addition the department had on hand nine claims for subsidies to be paid and also notice of application for subsidy had been received for another 14 vessels. Since the department had no funds available to meet these additional requests an allotment of $200,000 was obtained, and this supplementary item is to recoup this allotment of $200,000. I do not know what more detail I can give, but the subsidies are being paid.

Mr. Howard: Can the minister give the committee some indication of the division by dollar amount of the expenditure on this subsidy on the east coast and on the west coast?

Mr. McIlraith: I do not have it before me, but I will try and get it.

Mr. Howard: When does the minister expect to get it?

Mr. McIlraith: I can tell the hon. member now that part of this item is for the lobster trap indemnity account, and none of that affects the west coast since they have not succeeded in producing the kind of lobsters which are most popular. I will have this matter turned up in a few minutes, however.

Mr. Howard: Actually I am not talking about lobsters but about item 70e, which is the subsidy for fishing vessels. I know we do not harvest lobsters on the west coast. It has been tried, but someone told me that they forgot to take the plugs out from the claws when they put the lobsters in the water, and they starved to death.

Mr. McIlraith: That story has been told on the estimates for the last 23 years.

Item agreed to.

5e. To authorize reimbursement to the lieutenant governors of the provinces of Canada of the costs of travelling and hospitality incurred in the exercise of their duties up to a maximum per annum for each as detailed in the estimates—To increase the maximum per annum for each of the lieutenant-governors of the provinces detailed in these estimates, $6,000.

Mr. Knowles: Does the wording of this item means that in the case of the three provinces indicated in the details of the estimates the maximum expense allowance for the lieutenant governors is being increased? Another question would be as to how these various figures of the expense allowance for the various lieutenant governors are arrived at?

Mr. McIlraith: The amount of the allowance for travelling and hospitality used to be tied to the census figures but in 1963-64 there was a change, bringing the amount of this item to $6,000. It was found, however, that this arrangement was not permissible in the case of Manitoba, Nova Scotia and Saskatchewan and this item in the estimates is to bring those three lieutenant governors into line with the others.

Mr. Knowles: I do not wish to delay on this item because it is not one of major importance, but I am afraid I cannot find anything in the estimates to correspond to the figure of $6,000 to which the minister has referred. The vote for 1963-64 varied all the way from $7,500 to $18,000 for the various provinces. I wonder if the minister has got hold of the right note for this item.

Mr. McIlraith: The item is to be found on page 156 of the main estimates. After the details are considered, and these supplementaries added to the total, it will be seen—well, quite frankly, I am not sure of this explanation. The matter is again being looked at and I believe it has been changed in the main estimates for the coming year. This was intended, apparently, to take care of an anomaly in computing the allowances, and I am not clear about the explanation. That is the situation. I am sorry. It ought to be more precise, but I think I had better leave a more precise explanation until we reach the main estimates.

Mr. Knowles: In view of the minister's admission that he does not quite know what this is all about, I will not hold him up any longer.

Item agreed to.

DEPARTMENT OF JUSTICE

1e. Departmental administration including grants and contributions as detailed in the estimates, $10,000.

Mr. Martin (Timmins): Under this item, which deals with the administration of justice, I think it might be a good idea to bring to the attention of the committee a case of what might be considered poetic justice. I should like to read to the committee something which I discovered on my desk today—something which has to do with certain procedures in this house of recent date. The document is entitled "The Easter Game" and it goes as follows:

The strangest weird and eerie tale
Of all the Easter stories
Is this about the "Easter Game"
Of Liberals and Tories.
The Liberals had a crafty plan
It simply would entail
A happy Easter holiday
If silence would prevail—

Mr. Winkler: On a point of order. I do not think this is the sort of thing which should be put on record at this point in our proceedings today. It has no bearing on our proceedings and only serves to halt the progress we are making here this afternoon.

Mr. Howard: I would point out to the hon. member for Grey-Bruce that the gentleman who sits in front of him, the Leader of the Opposition, took a considerable length of time earlier this week to deal with exactly the same subject matter as my hon. friend wishes—

Mr. Churchill: I rise on a point of order. Are we dealing with the estimates or are we discussing some other matters?

The Chairman: I understand the hon. member for Skeena is raising a point of order.

Mr. Howard: On the point of order raised by the hon. member for Grey-Bruce, may I remind Your Honour that the Leader of the Opposition dealt with this subject matter. He did so in a manner different from the one used by my hon. friend from Timmins. One was prose and the other is poetry. That is the only difference.

Mr. Winkler: May I say something further on the point of order? I think that in the course of the proceedings which have taken place this week there has been enough personal attack, and quite enough effort has been put forth to assassinate people both in this house and in the other place. So I think we could well do with less of that sort of thing today.

The Chairman: I think the point of order raised by the hon. member for Grey-Bruce is well taken and I am sure the hon. member for Timmins will agree that, although the submission he is trying to make is put in a poetic way and may be of interest, it has no bearing, it would appear to the Chair, on the item we are now considering, namely vote 1e of the Department of Justice.

Mr. Martin (Timmins): If I might be permitted to say a word on a point of order, it would appear to me that we are having a repetition of what happened last week, when something was condemned before it was ever heard or listened to.

Mr. Winkler: It seems to me there was a fair contribution from that quarter of the house as well.

Mr. Howard: Mr. Chairman, my comments on the Department of Justice will have to be, not in poetry but in the more usual form of prose. Inasmuch as this item involves a grant to the Canadian corrections association to assist in defraying the expenses of the fifth international criminological congress to be held in Montreal in 1965, I should like to make some comments about the general question of criminological procedures and to express my regret that because of a sort of parting gift by the former minister of justice, all the background policy and previous attitude of the government, and certainly of the former Conservative government when the department was headed by Mr. Fulton, seem to have been wiped out to satisfy a political promise.

I know that this may upset some people in Cornwall, but I just do not think that Cornwall is the place to put the new prison for women. Anybody who has paid any attention to criminological or sociological matters is of the opinion that penitentiaries and prisons should be placed in those areas where sociologists, criminologists and people interested in this field can have easy access to these institutions in order to work with the prison officials, and particularly the inmates, from the point of view of bringing about their rehabilitation. As far as I am concerned, the decision to build the new prison for women at Cornwall detracts from any such program.

Anybody who has been through the existing women's prison at Kingston will certainly agree that it is an antiquated and disgraceful structure, in which nothing useful is accomplished outside of locking people behind doors, and that there is certainly a need for a new prison. But in my view the new prison for women should be constructed within the complex that exists at Kingston, rather than being transplanted to some part of the country removed from the benefit of all the good work that can be done by people from Queen's

University, and those in the penitentiaries branch who are already working in the Kingston complex.

I also wish to express some concern about the proposed drug treatment centre at Matsqui. After my national leader, the hon. member for Burnaby-Coquitlam, and I visited the B.C. penitentiary last winter I drove up the Fraser valley to Matsqui the following day to look at the situation. The ground is levelled off and there is a nice wire fence around the property in preparation for the establishment of this new so-called drug treatment centre. But so far I have not heard a single word from anybody in the government with regard to just what is supposed to take place at that centre. The government seems to have no policy and no ideas with regard to rehabilitation from a clinical or sociological point of view.

If nothing more is going to be done in dealing with people addicted to narcotics than has been done in the past, then to all intents and purposes the $7½ million or whatever the amount is that is going to be spent at Matsqui is a waste of money. I say that because all we will be building is another prison in which we can lock up people and, when their time is up, open the doors and let them out again so they can start the whole process all over again of looking for drugs, being apprehended and tossed into jail once more. This is what we have been doing in Canada for years, and so far we have achieved absolutely nothing except to fill our prisons—in the west in any event, where there is a high incidence of narcotic addiction—with people who are unfortunately addicted to narcotics.

We have not turned a single stone in the field of so-called drug treatment. We have not heard a word in this regard from this government, its predecessors or from the provincial government of British Columbia which is concerned with the general question of health. We have had nothing but the following of procedures used in the United States, which have been an abject failure if anything has. While we are not taking action under this item, I say that before we blindly proceed to endorse the building of another prison complex at Matsqui and give it the fancy name of a drug treatment centre, we had better ask some searching questions and get some sensible, farsighted answers from the government as to just what it intends to accomplish and how it intends to proceed at this drug treatment centre. If we do not do so we will just be spending another $7½ million or $8 million on another prison which will accomplish precisely the same thing in the field of drug treatment that prisons have accomplished in the past—absolutely nothing.

[Mr. Howard.]

Mr. Peters: Mr. Chairman, we are spending this $10,000 to have the fifth international criminological congress held in Canada in 1965. Unless the Department of Justice comes up with something worth while I should think we should be ashamed to have this congress meet in Canada. We are very far behind in penal reform. As the hon. member for Skeena has mentioned, we have built prisons to contain people, rather than correctional institutions to help to rehabilitate them.

In my own small way I have examined several aspects of this problem and I find that the new states of Alaska and Mexico, and other countries, have made much more progress than we have. In some cases they have not had the benefit of a royal commission report, such as that of the Fauteux commission, but yet we have done very little by way of reform to make us proud of what we have accomplished in Canada. Since this congress is meeting in Canada I would think we would want to be able to show other nations the advances we have made, but the fact is that in the whole field of justice there is very little in this country of which we can be proud. Certainly this is true when you find the province of Ontario putting through a bill such as was introduced in the legislature a few weeks ago.

It seems to me, Mr. Chairman, that the Department of Justice could at least pick one field and concentrate on it, so that we would be able to have something to show the congress with regard to the advances that are possible in Canada in the correction of criminals. If we picked one field we should at least be able to give some leadership to the congress in that field. Canada is not such a backward country that we cannot pick out and concentrate on making advances in one field. In this way we would be able to show the delegates who will be attending the congress that there is at least one aspect of criminology in which we are better than other countries.

Mr. Alkenbrack: Mr. Chairman, I cannot let this item go by without making a brief comment on it. We have waited a reasonable length of time, being reasonable people, and I should now like to ask the parliamentary secretary—I believe the Minister of Justice is unavoidably absent—whether the government has definitely decided to move the women's prison from Kingston to Cornwall. A good many people in my district who work at the prison are naturally much concerned about this decision. They are people who have put down their roots in the district through purchasing modest though comfortable homes, and they want to know what the future has

in store for them. The interests of these people should be considered.

Then again, the various associations of social workers throughout the district are protesting this pending move. I wish to point out, as has been done before, that Queen's University is well equipped to treat these inmates from a social or psychological aspect. We have two good hospitals in the area that are well equipped to handle any emergency. They are the Kingston General hospital and Hotel Dieu, both well equipped and staffed, and both of which are expanding. I would say to the parliamentary secretary, who represents the Department of Justice here, that he should think twice before making a move of this kind. We in the bay of Quinte district are very much concerned about it.

Second, Mr. Chairman, I should like to know if the Department of Justice has abandoned the tenders system in connection with the purchase of beef on the hoof for the penitentiaries at Kingston and Joyceville. I have been told, without any personal inquiry on my part, by the producers of this type of beef that they no longer are invited to tender. These tender forms are no longer mailed out to them. What is going on under this new administration which was going to introduce a new era of service to the public? I ask the question, have you abandoned the tenders system? The supplying of this material now goes to one or two people, no doubt some of your own pets. I would admonish the government to get back to the good tenders system that we used to have in 1962, under which the penitentiaries received good beef at a fair price, and all producers had an opportunity to sell their beef.

Third, Mr. Chairman, although I deplore the necessity of more prisons in this country, I must say I welcome the announcement made the other day by the hon. member for Kingston that a new prison would be constructed. He did not say it would be constructed in Prince Edward-Lennox, but he said it would be at Millhaven. He might more correctly have said at Bath, Ontario, in Prince Edward-Lennox, which is the constituency I represent. The present administration is not the author of this plan. It dates back to the former administration which was studying decentralization of the prison system as long ago as 1959. This announcement is the fruition of the plan. As its representative in the house in the last two parliaments, I have been lauding the merits and the advantages of the location of Prince Edward-Lennox. I would say, Mr. Chairman, that Prince Edward-Lennox accepts the trust that has been laid on its shoulders. We will work with the rest of Canada in the best interests of the penal institutions and for the public good of Canada.

Mr. Macdonald: I should like to reply briefly to the observations made by the hon. member for Prince Edward-Lennox. With regard to the proposed shift of the women's penitentiary, I would remind the hon. member that the minister has indicated in the house and elsewhere he will be receiving representations from interested institutions such as the John Howard Society, the Elizabeth Fry Society, and so on. I am much obliged for his observations about the local effect of the suggested changes, and I will bring those to the attention of the minister.

In so far as the hon. member's second observation is concerned, I regret that I am not personally able to respond to it. I will bring that to the minister's attention so that at some future date the hon. member may be satisfied in this regard.

Mr. Winch: I am somewhat amazed at the discussion that has taken place under this supplementary item. In view of what has been said, therefore, I should like to add a few words of my own.

First of all, with regard to the women's penitentiary, I may say that if hon. members who have spoken within recent minutes were here when I asked a question on orders of the day they would remember I asked the Minister of Justice whether or not the previous minister told the truth or lied when he made a public statement that it was to be moved to Cornwall. The answer I received was, "I will have to take this as notice". Another question I asked was whether or not any decision had been made. The answer was, "Put the question on the order paper". Obviously no definite decision has been made.

What does surprise me, sir, is the remark made by one of my own colleagues in my own party, and the hon. member who just resumed his seat, concerning the relationship between the women's penitentiary in Kingston and Queen's University. I wonder if both hon. members know what the dickens they are talking about. What is the relationship between Queen's University and the women's penitentiary in Kingston, and what has that to do with whether or not the penitentiary should be kept in Kingston? If my information is correct, and I am sure it is, Queen's University does not have a psychiatric department in its medical school. What is the relationship, then, on the basis of psychiatry, between Queen's University and whether or not there will be a women's penitentiary at Kingston? So far as I am concerned, it is very clear, and I have been interested in penology for 30 years. The important consideration is not the location but the job that can be done. When I first heard

there was a probability of a new penitentiary being built away from Kingston, I made inquiries. There was talk of Cornwall being the site, and I found that one month ago there was only one woman from Cornwall in the Kingston's women's penitentiary.

I disagree with the construction of a new narcotics centre in the Fraser valley, but if it goes ahead it will mean that one third of those now serving in Kingston penitentiary, the third who are narcotic addicts, will be transferred to the Fraser valley. Of the balance of those now in Kingston one third come from Ontario and Quebec, and one third from the western provinces, and almost all of those from B.C. will be transferred to the narcotics centre in the Fraser valley.

I regret very much that parochialism should be the deciding factor in the location of an institution. I have heard it said this was to be done on a patronage basis, so I made inquiries and I found that in none of the areas suggested yet has the federal government any property, nor has it taken option on any property for the establishment of a women's penitentiary. Therefore when members get up, whether they be from my own party or otherwise, I hope they will realize what they are talking about.

Do not tell me about Queen's University in relation to a penitentiary because it has not got any department of psychiatry or psychology, and do not tell me about patronage when there is no government owned land or government opted land. We are greatly behind in meeting the need for a new women's penitentiary, but it should be established on the right basis of modern penology.

I agree completely with the hon. member for Skeena in his remarks about the $4 million or $5 million narcotics centre in B.C., because it cannot do the job. Such a centre is years behind modern understanding and, as the hon. member for Skeena said, what we are doing is putting up a new prison, and treating addicts as criminals instead of sick people, as they are recognized to be throughout the rest of the world. Both the federal and provincial governments would save millions of dollars if we treated them as sick people and not as criminals.

I did not know that this supplementary estimate would lead us into such a discussion, but I do hope questions of parochialism and provincialism will be set aside and we shall consider the matter on the principles of modern penology and criminology rather than on the proposition of constituency expediency.

Mr. Douglas: Do I take it from the remarks of the parliamentary secretary that no final decision has been made with reference to the location of a women's correctional institution? Second, has any provision been made in the estimates for 1964-65 for the construction of such an institution?

[Mr. Winch.]

Mr. Macdonald: As I stated, the minister has indicated his willingness to hear from the various associations with respect to the location of this particular penitentiary. I think it can be assumed that their views will be taken seriously and that to the extent they can be accommodated or should be accommodated, this will be done. As to the second question I am afraid I cannot enlighten the hon. gentleman at this time.

Mr. Diefenbaker: There are a couple of matters that deserve to be considered. One is the statement of the hon. member for Vancouver East who says that there is no department of psychiatry or psychology in Queen's University. There is one member here fully conversant with that, the parliamentary secretary to the Minister of Finance, who is temporarily out of the chamber, and I think he should be given the opportunity of clarifying this uncertainty.

An hon. Member: He is here.

Mr. Diefenbaker: He is the hon. member for Kingston and would be able to give the committee the fullest and most complete information in this regard. He was here a moment ago—

An hon. Member: He is here now.

Mr. Diefenbaker: I beg his pardon. I was not looking in his direction.

If the minister were here I should like to ask him a direct question. I do not like directing questions to the parliamentary secretary because he does not cover the entire field, excepting on the perimeter. Did Hon. Lionel Chevrier have any authority for making the statement that he did, on the occasion of the celebration in his honour prior to his departure for higher spheres of service, that the women's penitentiary was to be established in Cornwall. I am not entering into the merits or demerits. It was a strange place for an announcement like that, but I would ask the parliamentary secretary, within the purview of his more or less limited knowledge, whether he can say Mr. Chevrier spoke with authority or merely with enthusiasm?

Mr. Macdonald: As the Leader of the Opposition has pointed out, my purview in this respect is limited, and unfortunately the answer to that question is beyond my purview.

Mr. Benson: The Leader of the Opposition raised a question with respect to Queen's University. I know as a fact that there is a department of psychology at Queen's University, and in addition there are a good many psychiatrists in Kingston. I think the per

capita number of psychiatrists in Kingston compares most favourably with that of most places on the North American continent. There were a couple of other points raised by the hon. member—

Mr. Winch: You said a department of psychiatry?

Mr. Benson: Psychology.

Mr. Winch: If there is a department of psychiatry—

Mr. Benson: Psychology.

Mr. Winch: I have been in touch with the government on this very matter and I was informed that there was no department in Queen's University.

Mr. Benson: There is a department of psychology.

Mr. Winch: Not psychiatry?

Mr. Benson: I said psychology.

Mr. McIlraith: Mr. Chairman, it is five o'clock and I wonder if I might interject something here. I have taken steps to endeavour to have a bill prepared covering those items of the estimates that were passed today that were particularly important, with reference to veterans affairs, as was mentioned by the Leader of the Opposition, and one or two salary items. If that bill can be prepared I should like later to ask the permission of the house to interrupt private members' hour in order to have the appropriation bill, including those items, dealt with by the house.

Mr. Diefenbaker: We are agreeable.

Mr. Knowles: Agreed.

Some hon. Members: Agreed.

Resolutions adopted in committee of supply this day reported and concurred in.

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

Mr. Knowles: Mr. Speaker, may I ask the Acting Minister of Finance (Mr. McIlraith) if he can tell us at what time this second appropriation bill might be ready, so we can avoid interrupting the speech that might be in progress?

Mr. McIlraith: Mr. Speaker, I am just waiting for it to arrive. I cannot tell at the moment. It should arrive in the next few minutes, but I cannot give any more precise time than that. I am going to check on that now.

CANADA FAIR EMPLOYMENT PRACTICES ACT

AMENDMENT TO PROHIBIT DISCRIMINATION BECAUSE OF AGE

Mr. Barry Mather (New Westminster) moved the second reading of Bill No. C-28, to amend the Canada Fair Employment Practices Act (age discrimination).

He said: Mr. Speaker, in rising to speak to this measure that stands in my name I am very hopeful of getting the rapt attention of all hon. members, the more so because I am very sure that with few exceptions all hon. members fall into the category which this measure would assist; that is, the category of the older worker. The explanation of the bill is as follows:

> The chief purpose of this bill is to add age discrimination to the list of prohibited employment practices unless age is a bona fide occupational qualification. A secondary purpose is to prohibit the employer from including in an employment application form, advertisement or written or oral inquiry, a question or request for particulars as to the applicant's race, national origin, colour, religion or age unless by reason of a bona fide occupational qualification.

I am sure that all hon. members are acquainted with the good reasons for putting forward such a measure, but it may be that not all are so well informed as to the many states and administrations which already have this type of legislation in operation. I have here a summary of this type of legislation which has been in effect in the United States for a number of years. As long ago as 1960 there were at least ten states with laws on their statute books to protect the older worker from discrimination. The acts in these states vary in detail but their end goal is to protect the older worker against discrimination because of age.

In New York state they added this provision in 1958, specifying the ages as 45 to 65. However, interpretive rulings of this provision, issued by the state commission against discrimination, state that discrimination because of age "shall mean discrimination based on an over age", and it is not limited to the ages specified. Thus an employer may not discriminate against a person solely because the person is over the age the employer desires to employ. I gather it would be unlawful for an employer to specify, for instance, that he wanted a bookkeeper under the age of 35. As I say, the legislation in the different states differs in detail. Louisiana had an act of this type 30 years ago, in 1934. Their law makes it unlawful for any employer having 25 or more employees to adopt any rule for the discharge of any employee or the rejection of a new employee under 50 years

of age. The penalty in that state is a fine of up to $500 or a jail sentence of up to 90 days, or both.

I am sure that many hon. members are aware that in the last few months the government of British Columbia has proposed to put on its statute books similar protective legislation to defend the employment rights of the older worker. I am sure, also, that many of us are quite well aware of the need for some type of law to this effect. We have all heard of cases where a person of, say, 40 years of age, or 45 or 50—the age varies with the industry concerned and the circumstances—has been unable to gain employment because he is considered to be too old. In some cases the reason given is that an older person becomes less efficient and tends to slow down on the job. Another reason, however, is the effect of the growth of private pension plans in industry. A number of industries find that it is difficult to fit an older worker into a pension plan because by the time he reaches the normal retirement age he will not have put in enough service to qualify for a pension. We in this party, of course—and I know this applies to many hon. members in other parties—have advocated the necessity in Canada of setting up a comprehensive, portable pension plan for the whole country. It is regrettable that this was not done many years ago. However, the implementation of such a plan makes the pension barriers along with other factors more harmful to the people in the older age brackets seeking employment, and this bill attempts to overcome the situation.

In fairness both to the present administration and to the previous one, both ministers of labour concerned have taken good stands to encourage the employment of older workers. The present Minister of Labour (Mr. MacEachen) has issued an excellent leaflet in which he says that older workers can offer accuracy, dependability, mature judgment, stability, lower absenteeism rates, lower labour turnover and lower accident rates. The previous minister of labour when he was in office made a statement which I think was most admirable on this point. He said:

> Justice and freedom of opportunity to every individual as spelled out by the United Nations was adopted by 58 countries, including Canada, in the universal declaration of human rights, in December 1948. Is it justice and freedom of opportunity to raise obstacles to employment against any segment of society, for any reason, including age? Should not all individuals have an equal right to jobs which they are capable of doing whether they are 20 or 70 years of age?

It might be of some interest to hon. members, and perhaps of encouragement to them, to consider the following statistics with regard to the efficiency and success of older people, some rather notable ones included. For example Benjamin Franklin invented bifocal glasses at the age of 78. He was also appointed ambassador to France when he was in his 70's. Thomas Hardy, the English novelist and poet, wrote some of his best poetry shortly before his death at 89. Verdi composed four notable musical compositions at age 85. William Ewart Gladstone was British prime minister at the age of 82. Albert Einstein was active in science until his death at the age of 75. Winston Churchill became prime minister at 65 and served either in that office or as leader of the opposition until his resignation at the age of 80.

In conclusion, Mr. Speaker, I feel that until Canada has what we all hope will become a comprehensive portable pension plan it is very much in the interest of the older workers that they be protected by some such legislation as proposed by this bill. I urge all hon. members to consider the fact that there is no reason why the immediate effects of developing technological revolution should fall more heavily on one group of Canadians than another. I should very much like that the subject matter of this bill be referred to the appropriate committee.

Mr. Lloyd Francis (Carleton): Mr. Speaker, I think the mover of this bill should be congratulated on the purpose he has in mind, and as he indicated at the beginning of his remarks it is one which should be shared by every member of this house. He even went so far as to say that a large number of us personally might, should we not be fortunate on future occasions, benefit by the measure he is proposing. I think that while we all agree with the purposes of the bill we must look carefully at a piece of legislation which attempts to do something which, though we all think it right and proper, may yet fail because of the way it is drafted to accomplish the purpose it has in mind. I am not sure whether this is the case, but I have some doubt about the wording of the bill as now presented.

The mover of the bill in a very good and clear statement cited legislation in two states of the country to the south of us. The two examples he referred to involved a type of legislation which is not the approach incorporated in the hon. member's bill. He mentioned New York state and one of the southern states, if I recall correctly; but in both cases the legislation was drafted specifically to deal with the problem of older age groups, and the older age groups were more specifically defined.

The legislation we are asked to consider does not mention any specific age. It seeks modification of the Canada Fair Employment Practices Act and makes it an offence for an

employer to refuse to employ an older person or even to ask questions, verbal or written, concerning age unless age be a bona fide occupational qualification. I listened with some interest for guidance on how the hon. member felt that this particular concept should be applied in the administration of the law, but I was disappointed that he did not elaborate on this aspect because it seems to me that is the core of the legislation by which he feels we should attack the problem.

We agree that the problem is discrimination against older workers, but discrimination on the ground of age takes place in many circumstances and at different stages of life. I am sure hon. members at this time of year have the same kind of problem which was faced by myself on a few occasions in connection with students who are concerned about summer employment. If there is one group in society I feel a great deal of sympathy for—and most of us were students not so long ago—this is the one. But the kind of discrimination faced here is usually the reverse kind; employers do not want a student who is younger than 19 or 20. The younger students at university find the problem of age discrimination working adversely against them, and for reasons which I think are quite understandable. There are not enough jobs to go around, and the first approach of the employer is to take the older students.

The draft of the legislation presented to us would make it just as much a prohibited employment practice to discriminate against younger workers going on the market as it would against older age groups. Possibly this is what the mover of the bill has in mind; if so, he did not give any indication that he was concerned about the general problem of age discrimination at different stages of life. As the legislation is drafted I think it raises the very serious problem of whether or not we would be putting a law on the books which would not be enforced and generally respected. If the intention is purely discrimination against older workers, then I think we should adopt the approach set out in the New York state law, of spelling out the age groups concerned.

The problem of discrimination is a very subtle one, Mr. Speaker. It is a very difficult one for any legislative authority to prohibit by legislative action. There are many good reasons for this, and the mover of the bill has this in mind in providing an escape door by including the expression "a bona fide occupational qualification". For example, the problem of military service comes to mind, where retirement is compulsory at an early age for reasons which few of us have really questioned in terms of purpose. On many occasions occupations such as that of air line pilot, for example, have been subject to an age discrimination, perhaps unfairly, although I would not pass judgment quickly on that question. The mover of the legislation presumably assumes that this type of occupation would require a bona fide occupational qualification. But there is a large grey area here where the problem of determining what is a bona fide qualification and what is not would call for very careful administrative interpretation. I am not saying it cannot be done but I am seriously concerned in my own mind as to whether or not a blanket proposal of the nature suggested in this legislation is the most effective means of dealing with the problem. I would prefer to say that a negative prohibition is one approach, and no doubt it is a useful approach.

I for one have no quarrel whatsoever with legislation which attempts to prohibit discrimination on the grounds of race, national origin, colour or religion. It seems to me that a democratic society has learned that legislation is needed to help in the over-all attack on this kind of discrimination. But along with these other measures there must be positive inducements which range from education to the incentives which the government introduced in the last budget, and which we applied for the first time in terms of encouragement to create employment for men and women over 45 years of age.

This positive approach does not follow any single line of attack. I was pleased to hear the hon. member refer to the educational material distributed by the employment service of the Department of Labour which draws attention, very nicely and very convincingly, to the desirable attributes of older workers and the circumstances in which they should be sought out. Very few of us, when we choose a dentist, or a solicitor to give us advice, or a doctor, are worried about whether that man or woman is over 45 years of age. If we do have a preference at all it is probably for the older, more mature, more experienced person. If there is a problem in discrimination here, it is a question of discrimination against the younger person, especially in professional practice. Society has been conditioned to accept the performance of the older citizens in this area as being, on the whole, a superior performance.

The government, very wisely I think announced in the last budget certain incentives designed to create additional employment opportunities for older workers. In the case of men and women who had been unemployed for at least six of the previous nine months and who are over 45 years of age, the government took the approach that if an employer could establish that there was a vacancy on his labour force in which he could employ

such a man or woman the government would provide a subsidy amounting to $75 a month or one half the earnings, whatever was the lesser. As a result of this encouragement there has been a healthy start in the process of making additional employment opportunities available to older people. But this has to go together with a program of community education and "selling", in the best sense of that term, the advantages of this type of legislation. By the end of February, according to the best information we have, there were 1,986 applications under the older workers program.

Mr. MacInnis: Would the hon. member permit a question? He has referred to the program undertaken by the federal government, a program which imposes the older worker on private industry by making assistance available. Is the hon. member not aware that while promoting this program the government itself is running counter to this program by advertising job positions with an age limit attached thereto?

Mr. Francis: It is not easy for me to answer a general observation of that kind. The hon. member alleges that the federal government have announced competitions containing age barriers and puts notices of such positions in the press. Is that the comment?

Mr. MacInnis: Yes, they have done exactly that in the job opportunities they have advertised. They continue to advertise these positions with age limits attached to many of them.

Mr. Francis: I am not aware of any competitions advertised recently with a condition of that nature included, but if the hon. member has examples that he can bring forward I am sure this government will give careful consideration to them, because one of the things we have tried to do is to set a good example as an employer—that is, the government of Canada in its own capacity. It may be that some crown agencies and corporations are slow in reflecting the most up to date thinking on this question, but it is certainly the intention of the government to remove such practices and substitute better personnel practices wherever the need for it is drawn to the attention of the administration. If the hon. member has a specific civil service competition poster, or any other evidence of the type of activities he described, perhaps he would bring them to the attention of the government, or to my attention, and we will be pleased to make recommendations to see that this kind of thing is stopped; because I think we all agree it does not represent the type of policy we are trying to implement today.

[Mr. Francis.]

Mr. MacInnis: I should like to point out to the hon. member that this matter has already been drawn to the attention of the Minister of Labour, who did not object to the practice when the question was put to him.

Mr. Francis: In a sense, we are dealing with a hypothetical situation, because I do not have details of the situation about which the hon. member is complaining. But I am confident that if these things are brought to the attention of the minister they will be dealt with properly and effectively.

The number of placements approved was approximately 1,333. The number of actual placements was somewhat lower, at 936, and it is estimated by the end of March of this year 2,350 applications will have been approved and about 1,300 people placed under this program. No doubt we would have been happier had the numbers been even greater, but we are pleased with what has been accomplished. We are confident that in the future we can base an improved program upon the experience of the recent period.

Among the problems which a government faces in developing a program of this nature is the basic employer preference for younger workers. This is insidious in its nature and is part of the tradition of a frontier society. In 1900 the average expectation of life was 46; a man aged 50 was written off in the minds of many people. We know that the situation has changed today, but the cultural attitudes of a previous generation do not die easily in our society. One of the main reasons for discrimination against older workers is, as the hon. member who moved this bill pointed out, in the area of pension schemes. He mentioned that the group he represents in this house has for some time supported the principle of a nation-wide portable pension scheme which would help meet this difficulty. So does this government, Mr. Speaker. I point out that one of the things which the Canada pension plan will do is just this: It will make it much easier to provide pensions for workers who move from one area to another.

An interdepartmental committee of the Department of National Health and Welfare, the Department of Labour, the department of insurance and other groups examined the factors which influenced employers' attitudes in discriminating against older workers, on the grounds that pension plans do not give them adequate benefits. Under certain types of pension plans, Mr. Speaker, it is clear that an employer has to contribute larger sums of money for workers who have fewer years of contributions prior to retirement. These contributions draw interest for a shorter period. The employer is frequently concerned about the public relations aspect of retiring a man at 65, who may have worked seven,

eight or ten years for him, with a very modest pension. No employer likes to be in the circumstance of having anyone go on formal retirement, having served even for a short period with his organization, on a pension which is grossly inadequate to sustain that person in a minimum standard of living.

The problem involves a combination of re-examining the different approaches to pensions, in particular having regard to the money purchase type of plan instead of the unit benefit type of plan, removing arbitrary retirement age barriers, and in addition recognizing that a certain proportion of older employees in the labour force of the country does not create any significant addition to payroll costs measured in the aggregate. It also involves examining the particular occupations within the employment force of a firm in which older workers can be more conscientious and more effective.

The Department of Labour has cited a number of interesting examples in which specific employers came to the employment service with age discrimination in mind. One particular case of a records clerk was cited where the turnover had been very serious among younger workers who had taken the job. They took the job for a short period, worked at it, were proficient in their duties but were ambitious and became dissatisfied with the future prospects in that job, and left it in a short time. The older worker who was more anxious to maintain a good attendance and performance record, who did not have an unreasonable or accelerated expectation of promotion and was prepared to take the job and perform it to the best of his or her ability was a much more satisfactory job placement. A re-examination of placement, a re-examination of job requirements and a re-examination of our thinking in terms of how and where older people can be employed is something which has to come, and must in many cases be the really effective means of enforcement. The legislation is prohibitory in the form in which it is suggested. Legislation alone cannot achieve the purpose which the mover of the bill has in mind.

The Acting Speaker (Mr. Batten): Order. I must interrupt the hon. member to advise him that the time allotted to him has expired.

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I want to say a few words on the bill. I was not aware it was coming up today and consequently I do not have with me certain correspondence which would be applicable. It is a rather interesting coincidence that I received in the mail today a letter from a constituent dealing with this very subject. I have to check the facts, of course, and make sure that the submission made to me is accurate, but the correspondence that came to my hand today has to do with a former civilian employee of the Department of National Defence. He has been released from employment and the letter dismissing him contains the phrase "because of your age".

The age of the person dismissed was given to me as being 61. I have no idea whether the Department of National Defence sets an age limit for its employees. I would have assumed that they might consider letting people out at age 65, although I have no knowledge of the actual situation and there is no one here now from the Department of National Defence who could answer the question immediately.

Obviously a bill of this nature is required in order to direct the attention of members of parliament to a problem which exists in our society. If a person may be dismissed on the ground of age without any further reason, and if that age is only 60 or 61 it seems a bit odd at the present time when the government is busy attempting to provide employment for people over the age of 45. If this bill should go to a committee, and I have no desire to delay the proceedings so that it will not be dealt with in that way, I hope to be able to present this specific case to that committee for investigation. It might be of some assistance to the committee in determining whether a bill of this nature is adequate under the circumstances.

It seems to me that it might direct the attention of the government to the activities of the Department of National Defence with regard to their civilian employees and it would be helpful for us to know just what the terms of employment are for those employed in the Department of National Defence. Had I known this bill was coming up today I would have had the correspondence with me and I could have been more specific in my representations. I am pleased that the hon. member for New Westminster (Mr. Mather) has drawn our attention to this problem and I hope that it is given further study.

Mr. Marvin Gelber (York South): Mr. Speaker, George Bernard Shaw is reputed—

Mr. McIlraith: Mr. Speaker, if I may interrupt the proceedings at this stage—

Mr. Gelber: George Bernard Shaw will have to wait.

Mr. McIlraith: —in accordance with the intimation I gave when we were in committee of supply I would ask the house to be good enough to give unanimous consent to consider a further appropriation bill covering those items of the estimates up to but not including the Department of Justice, which we have passed today. It would include all the items

that have been passed in committee of supply today. If we could interrupt the proceedings now we would put through that appropriation bill and send it to the other place.

Mr. Nowlan: We are perfectly satisfied with that, Mr. Speaker, so far as the official opposition is concerned.

Mr. Churchill: May I make one suggestion? In fairness to the hon. member whose bill is before us we should agree that it will hold its place on the order paper, rather than being dropped to the bottom of the list.

Mr. McIlraith: Yes, I would think that is fair.

Mr. Knowles: Mr. Speaker, I would urge that we either accept the suggestion made by the hon. member for Winnipeg South Centre, or an alternative suggestion which I was just writing out and which I would be prepared to move, seconded by the hon. member for Skeena, namely that Bill No. C-28 be not now read a second time but that the subject matter thereof be referred to the standing committee on industrial relations.

My colleague from New Westminster would be quite happy if that were done and the hon. member for Winnipeg South Centre could then make his representations. I wonder whether that would be acceptable. If so, I would move that amendment, seconded by the hon. member for Skeena, and it need not be debated at all.

Mr. MacNaught: I think the suggestion made by the hon. member for Winnipeg South Centre is the one we will follow.

Mr. Knowles: You will?

Mr. Howard: No co-operation at all on that side. It is a two way street, you know.

The Acting Speaker (Mr. Batten): Order; is it agreed that Bill No. C-28 will retain its position on the order paper?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Batten): Does the house agree to give unanimous consent now to terminating private members' hour?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Batten): Will the house also give unanimous consent to reverting to government business?

Some hon. Members: Agreed.

WAYS AND MEANS

The house in committee of ways and means, Mr. Batten in the chair.

[Mr. McIlraith.]

Mr. McIlraith (for Mr. Gordon) moved:

Resolved, that towards making good the supply granted to Her Majesty on account of certain expenses of the public service for the fiscal year ending March 31, 1964, the sum of $23,368,648, be granted out of the consolidated revenue fund of Canada.

Motion agree to.

Resolution reported and concurred in.

Mr. McIlraith thereupon moved for leave to introduce Bill No. C-87, for granting to Her Majesty certain sums of money for the public service of the financial year ending the 31st March, 1964.

Motion agreed to, bill read the first and second times and the house went into committee thereon, Mr. Batten in the chair.

On clause 1.

Mr. Knowles: I trust the bill is in sufficient form that it can legally be put through?

Mr. McIlraith: Yes, that is what took a bit of time and is what we have been engaged in checking during the last hour I have been with the law clerks. We were making sure it was.

Mr. Howard: Have we got a copy of the bill here?

Mr. McIlraith: Yes, there is one.

Clause agreed to.

Clauses 2 to 6 inclusive agreed to.

On the schedule.

Mr. Knowles: May I ask, does the schedule include all the items of supplementary estimates (E) that we have passed in committee of supply up to the present time?

Mr. McIlraith: Just those passed today, and the other bill included the others.

Mr. Knowles: That is what I mean; the two bills between them include everything passed up until this time?

Mr. McIlraith: Yes—that is, unless the committee passed an item in my absence.

Schedule agreed to.

Title agreed to.

Bill reported.

The Acting Speaker (Mr. Batten): When shall the bill be read a third time; now?

Mr. Knowles: By leave.

Mr. McIlraith moved the third reading of the bill.

Motion agreed to and bill read the third time and passed.

THE ROYAL ASSENT

Mr. Speaker: I have the honour to inform the house that I have received the following communication:

Government House, Ottawa,
April 3, 1964.

Sir:

I have the honour to inform you that the Honourable Robert Taschereau, P.C., Chief Justice of Canada, acting as Deputy of His Excellency the Governor General, will proceed to the Senate chamber on Friday, April 3, at 5.45 p.m., for the purpose of giving the royal assent to certain bills.

I have the honour to be,
sir,
Your obedient servant,
A. G. Cherrier,
Assistant Secretary to the Governor General.

May I suggest to hon. members that if there is no other business before the house in this instance the house might suspend for a short period at the call of the Chair.

At 5.54 p.m. the sitting was suspended.

SITTING RESUMED

The house resumed at 6.40 p.m.

Mr. Knowles: Mr. Speaker, may I ask the acting government leader if he can tell us what has happened to the very important bill we passed earlier today, Bill No. C-86?

Mr. MacNaught: I regret, Mr. Speaker, that I am unable to inform the house on that point.

Mr. Churchill: I wonder if the acting house leader could tell us the business for next week while we are waiting?

Mr. MacNaught: On Monday, we will proceed with the consideration of the balance of the supplementary estimates; then, we will take up the second reading of the pension plan bill and after that the budget debate.

Mr. Knowles: Mr. Speaker, in connection with business of the house for Monday, hon. members might be interested in knowing that on Monday's order paper under the heading "Introduction of Bills", there will be a bill in my name entitled, "An act to amend the British North America Act 1867 (abolition of the Senate)."

THE ROYAL ASSENT

A message was delivered by Major C. R. Lamoureux, Gentleman Usher of the Black Rod, as follows:

Mr. Speaker, the honourable the Deputy Governor General desires the immediate attendance of this honourable house in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the house went up to the Senate chamber.

And being returned:

Mr. Speaker informed the house that the Deputy Governor General had been pleased to give, in Her Majesty's name, the royal assent to the following bill:

An act for granting to Her Majesty certain sums of money for the public service for the financial year ending the 31st March, 1964.

It being eight minutes after seven o'clock the house adjourned, without question put, pursuant to standing order.

[The following items were passed in committee of supply this day]:

DEPARTMENT OF DEFENCE PRODUCTION

A—Department—

15e. Grants to municipalities in lieu of taxes on crown-owned defence plants operated by private contractors, $23,100.

DEPARTMENT OF THE SECRETARY OF STATE

Civil service commission—

1e. Salaries and contingencies of the commission, $131,000.

DEPARTMENT OF FINANCE

Payments to municipalities—

45e. Grants to municipalities in accordance with the Municipal Grants Act and regulations made thereunder. $2,800,000.

DEPARTMENT OF DEFENCE PRODUCTION

A—Department—

25e. To sustain technological capability in Canadian industry by supporting selected defence development programs, on terms and conditions approved by treasury board, $5,500,000.

B—Crown companies—

Canadian Arsenals Limited—

35e. Administration and operation, $501,100.

DEPARTMENT OF FINANCE

General administration—

1e. Departmental administration, $61,900.

Administration of various acts and costs of special functions—

Royal Canadian Mint—

30e. Administration, operation and maintenance, $128,600.

Municipal development and loan board—

38e. Administration, $68,000.

Subsidies and other payments to provinces—

40e. Payments, computed in accordance with terms and conditions approved by the governor in council, to the government of each province, in respect of income tax paid by corporations whose main business is the distribution to or generation for distribution to the public of electrical energy, gas or steam; the said payments to be made in respect of such part of the income of the corporations for the taxation year ending in the calendar year 1961 (as determined under and for the purposes of the Income Tax Act) as is derived from the said distribution or generation in the province to which payment is made, $1,600,000.

Supply—Items Passed

DEPARTMENT OF VETERANS AFFAIRS

1e. Departmental administration, $50,000.

War veterans allowances and other benefits—

50e. Assistance in accordance with the provisions of the assistance fund (war veterans allowances) regulations, $100,000.

55e. Treatment and related allowances, $25,000.

DEPARTMENT OF FINANCE

General items of payroll costs including superannuation payments—

70e. To supplement other votes, subject to the approval of the treasury board, for the payment of salaries, wages and other pay list charges, $11,000,000.

77e. To provide that, for the purposes of the Public Service Superannuation Act, a person who died during a period ending before February, 1962 in which he was absent from duty without leave, and in respect of whom a death benefit would have been payable had he died under similar circumstances on February 1, 1962, shall be deemed to have been a public service participant throughout the said period, $1.

80e. Government's contribution to the hospitalization (outside Canada) plan, $100,000.

Contingencies and miscellaneous—

56e. To authorize the treasury board to delete from the accounts certain debts due, and claims by, Her Majesty, each of which is in excess of $1,000, amounting in the aggregate to $268,434.88 of which $15,943.01 represents three items that have been carried as assets in the statement of assets and liabilities, $15,945.

67e. To provide that where a person would, except for the fact that he has a period of elective pensionable service to his credit under the Public Service Superannuation Act, be eligible to count the period of elective pensionable service under a pension plan of a public service employer as defined in that act, the person may elect, in a manner prescribed by the treasury board, to receive a return of contributions in respect of the service in lieu of any other benefit payable to or on his behalf in respect of the service, $1.

68e. To authorize the deletion of $531,182,000 from the accounts of Canada, of which:

(a) $524,849,000 is shown in the accounts as the unamortized portion of the actuarial deficiency in the Canadian forces superannuation account, and

(b) $6,333,000 is shown in the accounts as the unamortized portion of the actuarial deficiency in the Royal Canadian Mounted Police superannuation account,

and the charge of that amount to net debt as an adjustment in respect of prior year's transactions, $1.

DEPARTMENT OF FORESTRY

12e. Contribution to Nova Scotia, in accordance with such terms and conditions as the governor in council may approve, in respect of a program of forest stand improvement which will provide employment in Cape Breton, $91,000.

DEPARTMENT OF FISHERIES

Special—

77e. Estimated amount required to recoup the fishing vessel indemnity account and the lobster trap indemnity account established under vote 540 of the Appropriation Act No. 5, 1955 and vote 527 of the Appropriation Act No. 6, 1956, to cover the net operating losses in the said accounts as at March 31, 1964, $197,000.

70e. Assistance, in accordance with terms and conditions approved by the governor in council, for the construction of fishing vessels in respect of which capital subsidies authorized by vote 222 (Canadian maritime commission) of these estimates may not be paid, $200,000.

DEPARTMENT OF LABOUR

B—Unemployment insurance commission—

55e. Transfer of labour to places where employment is available and expenses incidental thereto, in accordance with regulations of the governor in council, $18,000.

50e. Administration of the Unemployment Insurance Act—To extend the purposes of vote 50 of the main estimates for 1963-64 to include a grant of $1,500 to the Canadian association for adult education to assist in defraying the expenses of the national seminar on guidance and counselling held in Canada in November, 1963 and to provide a further amount of, $720,000.

DEPARTMENT OF FISHERIES

Conservation and development service—

30e. Construction or acquisition of buildings, works, land and equipment, $32,000.

PRIVY COUNCIL

Governor general and lieutenant governors—

5e. To authorize reimbursement to the lieutenant governors of the provinces of Canada of the costs of travelling and hospitality incurred in the exercise of their duties up to a maximum per annum for each as detailed in the estimates—To increase the maximum per annum for each of the lieutenant governors of the provinces detailed in these estimates, $6,000.

APPENDIX

DOMINION-PROVINCIAL CONFERENCE—COMMUNIQUE AND OPENING STATEMENT BY PRIME MINISTER

Communique of the Federal-Provincial Conference, Quebec City, 2 April, 1964

The governments of Canada and of the ten provinces of Canada met in Quebec city from March 31 to April 2, 1964. In the spirit of co-operation which had marked their last meeting in November 1963 they continued the discussion of problems of common interest.

The subjects examined included shared cost programs and conditional grants, and the relation of these to fiscal arrangements. There was also an exchange of views on other aspects of fiscal relations.

The federal government outlined its proposals for loans to university students, which were examined at some length. There was also discussion of the effects of the extension of the federal program of family allowances to cover children aged 16 and 17 who are students. Before taking action on the federal proposals, the views expressed by provincial governments will be considered.

The federal proposals for the Canada pension plan were further discussed. The government of Quebec indicated that its proposed plan would be one which could provide portability of benefits with the Canada pension plan, and there was general agreement to ensure the widest possible pension coverage for Canadians.

Future liaison arrangements were discussed, together with a calendar for federal-provincial meetings of various kinds during 1964. Other subjects were: the possibility of extending the hospital insurance program to cover mental health and tuberculosis; the Canadian 1967 world exhibition, in which all provinces indicated their intention to participate; reciprocal arrangements regarding the taxation of government departments and agencies; submarine mineral rights; the proposals of some provinces for further federal assistance to highway construction; and the problem of the distribution of hate literature.

It was agreed that the federal government should immediately enter into detailed discussions with provincial governments concerning contracting-out arrangements for shared cost programs. Such negotiations would apply to programs which are of a permanent nature and which involve fairly regular annual expenditures.

The federal government suggested, and provincial governments agreed, that there should be a joint review of the nature and extent of federal and provincial taxes in relation to the financial responsibilities which nowadays have to be carried by federal and provincial governments. This should be a review in depth, but it ought to be undertaken promptly. In furtherance of this agreement, the conference gave consideration to a proposal to establish at once a tax structure committee, which would work under the auspices of the federal-provincial conference.

This committee would consist of one minister from each provincial government and three ministers from the government of Canada. It would have expert assistance, and would be charged to deliver an interim report before the end of the current year. This interim report would be reviewed at a further federal-provincial conference. The committee would be expected to produce a definitive report by a fairly early date in 1965.

It was agreed that an important purpose of this review would be to increase the range of tax resources available to the provinces, in order to meet their increasing responsibilities for education and other services.

A joint review of the tax structure is not to prejudice the early solution of the urgent financial problems confronting the provincial and federal governments. This will require mutual accommodation to reconcile their expenditure and revenue requirements.

All participants in the conference agreed that their efforts must be directed to finding mutually satisfactory fiscal arrangements to ensure the continued strength of both federal and provincial governments, working together in the interests of a prosperous and united Canada.

FEDERAL-PROVINCIAL CONFERENCE 31 MARCH 1964

CONDITIONAL GRANTS AND SHARED COST PROGRAMS—OPENING STATEMENT BY THE PRIME MINISTER OF CANADA

In my opening statement at our meeting last November, I suggested that we should approach that conference as the beginning of a new chapter in federal-provincial relations. At this conference, certainly, we are continuing with the same chapter, but whereas

the main cross-heading in November was fiscal arrangements for the financial year which is now upon us, today it is shared cost programs; the results of our discussions will be reflected not in 1964 but in 1965 and subsequent years.

I will begin by very briefly summarizing the federal approach to this problem, which I set out on November 26. We believe that in the past shared cost programs have been essential to remove the obstacles created by the uneven fiscal capacity of the provinces and the competing demands on provincial treasuries. These programs have made an essential contribution, I believe, to the economic and social progress of Canada, and to the reduction of regional unevenness in that progress. However, changing conditions—including, above all, the development of our system of equalization of revenues in the shared tax fields—now offer us more alternatives than we had in the past. It is appropriate, therefore, to consider whether some of the shared programs should now be changed, with federal withdrawal and a full assumption of provincial responsibility.

In the first place, what are the programs we are talking about? The general phrase "conditional grants and shared cost programs" covers, as we all know, a great number of varied arrangements between Canada and the provinces. Fundamentally, however, the programs divide into two kinds; one, those which provide current services; two, those which finance capital projects. The prime examples of the first are hospital insurance and the four welfare assistance programs. The capital programs include the trans-Canada highway, ARDA, and the construction of technical and vocational schools.

With capital programs, the expenditures on any one project are for a limited time. In effect, the federal and provincial governments are sharing in building a highway or a dam or the like. When it is built the expenditures stop. Thus, while some of the programs are fairly long term, they are not permanent. Their number and extent depends on a continuing series of decisions. The capital programs therefore are, by their nature, a flexible instrument of federal-provincial co-operation. How many new projects are started, as existing ones are completed, will depend on changing conditions which none of us, I am sure, would claim to foresee.

It may well be that if, as we certainly should hope, economic development over the years results in provincial governments becoming more equal in the relation between their responsibilities and their resources, the need for the federal government to share in the costs of capital projects will diminish. But that, if it happened, would not be withdrawal from existing programs. It would be a natural run-down, as some programs end without others taking their place. There would be no alteration of commitments and therefore no fiscal compensation involved. Indeed, the concept of tax changes equal in value to the expenditures forgone obviously is not applicable to programs which by their nature involve very different expenditures from year to year.

This run-down of capital projects, as all provinces become more able to finance them for themselves, is a possible and desirable development. But it is not inevitable. We can all imagine economic conditions taking shapes that would make more shared programs necessary. That is to say, the federal government's general responsibility for employment and economic activity in the country as a whole might, in circumstances of slow economic growth, require us to initiate more, rather than less, capital programs jointly with the provinces.

That is not a decision that we in Ottawa should or could ever take alone. Federal power in this field is restricted to taking initiatives, to putting proposals to the provinces. New programs cannot be started unless at least two parties agree to do the sharing. There is, therefore, no question of undertaking such programs without consultation. But, in the general interest of Canada, the federal government should be willing to take the initiative and propose new joint programs if and when economic circumstances require them, even though the general trend is away from such programs.

These, however, are issues for the future; bridges which may have to be crossed at a later date. The present question is, what changes, if any, should be made in the existing shared programs for current purposes?

Provincial governments have been aware for some time of the federal government's general approach. If provinces so wish, we are prepared to consider transferring to them full responsibility for shared programs that involve regular expenditures and are well established. In return we would alter our fiscal arrangements in such a way that the size of the expenditures transferred would be closely matched by the extra room made available for provincial taxes.

Such a change cannot be made by our decision alone. The existing programs are covered by agreements which in the major cases run for several years ahead. For the period of the agreement, we can completely withdraw from the program concerned only if all provinces so wish.

Therefore the only early change that we can make by federal policy, without the

unanimous consent of the provinces, is to allow contracting out. That is to say, the federal government would withdraw in the case of provinces that so wished but maintain the program for provinces wishing it to continue.

Even on this basis, the federal government's freedom of action is limited. Let us take as an example by far the largest of the programs, hospital insurance, which in the fiscal year now beginning is estimated to cost the federal treasury over $400 million. The agreements with each province provide that it will receive 25 per cent of the per capita cost of the program in the province plus 25 per cent of the average per capita cost in all provinces. Thus if one province were to exercise a right of contracting out and then departed from the existing scale of the program, as it operates under the agreement with all provinces, the present basis for calculating cost shares would disappear. Contracting out by one province would alter the amounts due to other provinces under the agreements as they stand.

Accordingly, for this particular program, there is only one kind of contracting out which it is directly in our power to implement, pending renegotiation of the agreements with all provinces. It would be a revision not in the program but in the related fiscal provisions. That is to say, a province that wished to contract out would undertake to continue, for an interim period pending revision of the existing agreements, a program identical with the program provided in all provinces under the agreements. In that event there would be no effect on the federal payments to other provinces. The difference for the contracting out province would be that it would not receive payments from the federal government but instead there would be a financial equivalent in the form of an increased abatement of federal taxes for residents of that province.

This would be, I recognize, a rather rigid kind of contracting out. It must be understood, however, that it is the only kind we can provide without renegotiation of the agreements with all provinces. If such renegotiation is agreed to by all, then of course we can consider a more flexible system now. Alternatively, greater flexibility could be achieved in time by our giving notice at an early date of the federal government's intention to make thoroughgoing changes in the agreements. While the notice period required is lengthy, it would be advisable to consider at this conference whether such action is desirable.

We would propose that the compensation to a province contracting out in this way would take the form of equalized tax room in the field of personal income tax. The amount would be substantial—for provinces as a whole, of the order of 12 or 13 per cent of personal income tax.

So long as a contracting out province was maintaining the program on the same basis as other provinces, there would be no difficulty in calculating the compensation due. Any difference between the actual amount and the value of the tax room could be adjusted by adding to or subtracting from the province's equalization payments.

We would have to enter into somewhat more complicated arrangements if, following a renegotiation of the existing agreements, the contracting out province made its program different from that provided in other provinces. Actual costs would no longer provide the proper standard for compensation. On the other hand, we recognize that no province would be happy to contract out if it thereby received compensation related only to the cost of the program in the past. Some allowance for escalation of costs would be necessary. On the other hand, there would be unfairness to other provinces if this provision for escalation lasted for more than a few years; furthermore, there would be disadvantage to other provinces if the allowance for escalation exceeded the actual rate of increase in costs in whichever of the participating provinces that rate is lowest.

There are two other aspects of contracting out of hospital insurance which I should mention. First, the federal government would be anxious to assure that any contracting out arrangement would provide continued coverage, on a reciprocal basis, for people who move from one province to another. Second, some very valuable technical co-operation and standard setting has been encouraged by the hospital insurance scheme. Contracting out would remove the direct financial incentive for such co-operation. We would hope that suitable administrative arrangements could nevertheless ensure continuation of the same consultation and co-operation.

I have discussed hospital insurance at some length because it is by far the biggest of the current shared cost programs. Financially, indeed, it alone accounts for more than half of the programs which could be withdrawn in exchange for the abatement of federal taxes.

The next step, I think, is to hear your views. I have made it plain that the federal government is in principle willing to substitute equalized tax room, in the field of the personal income tax, for its share of hospital insurance. Without unanimous agreement this could not be put into full effect, as a nation-wide change, until 1970, after the expiry of existing agreements. If, in the meantime,

only some provinces want to take over full responsibility for the program, we are willing to provide for contracting out. I have attempted to analyse what exactly, in this situation, the federal government can itself arrange with a contracting out province, and what would depend on the consent of the provinces as a whole. I am sure we can all see that the problem is complex. Clearly the time for the federal government to make a definite proposal is after hearing your views in more detail.

Before we do that, however, I should refer briefly to some of the other programs. The next most important, taken as a whole, are the assistance programs. Three of these are the so-called categorical programs which provide allowances for disabled people and blind people and old age assistance to those under 70. The fourth program, and of course the most expensive, is unemployment assistance, which operates in practice as something close to a general assistance program.

In my opening statement in November I indicated that, in the federal government's view, any changes in these welfare programs should be based on a review of the four programs as a whole. We cannot see any equitable basis for tax abatement as a substitute for some of the programs, without taking the others into account.

It was agreed at the November conference that there should be a general review of the joint welfare programs, and meetings of officials have since prepared the way for a conference of ministers of welfare which has been proposed for May. I suggest that it would be premature, meantime, to discuss contracting out arrangements for those programs.

There are, however, a great many smaller programs which we are ready to discuss now. The forestry programs, for example, were recently continued for one year. We would propose to extend them for a further two years—that is, for three more years in all. At the end of that time our present fiscal arrangements will be revised in any event. If, for the further two years, some provinces wish to contract out of the forestry programs, that can be arranged, with compensation to be paid in cash as a supplement to equalization payments.

The health grants are, in our view, a program of continuing value which we wish to sustain. We propose to go on offering them to provinces which so wish. We are, however, prepared to consider alternative arrangements with provinces which would prefer to contract out.

Before leaving the subject of health I should mention the hospital construction grants, although they are of a capital rather than a current nature. They have been a very valuable program in the past, but we believe that they will pretty well have achieved their purpose by the time existing commitments come to an end. That will be in 1968. Any province which wishes to contract out meantime should be able to do so.

There are some smaller programs which we are disposed to terminate, with due notice of course, and others for which contracting out with compensation can be arranged. However, I think that the next step in our discussion today should be a general exchange of the views of all the premiers. We are all aware, I am sure, that this is a complex subject. The approach that I have suggested, looking at the principal programs one by one, appears to provide the best way of making practical progress. The programs are too varied to lend themselves readily to discussion in principle.

This program by program approach should not, however, obscure the broader objective. There may be various criticisms of particular programs, but those criticisms in themselves are not so substantial as to require discussion at the level of this conference. The underlying reason for our discussion is the growing belief that, provided there is adequate equalization, services provided by the provinces should be paid for by taxes which the provinces raise. I do not think anyone quarrels with that principle. Certainly the federal government does not. The problem is how to apply it equitably. There are great practical difficulties in assessing compensation for existing programs on a basis that is fair to all provinces. I have outlined one approach. I do not say that it is certainly the best. When we have heard your views we may want to make other suggestions.

For example, it would be possible to consider, instead of the program by program method, what might be called a linear approach. By that I mean the rewriting of existing agreements so that the percentage of the federal contribution to the whole range of shared cost programs would be gradually reduced over a period of years. That might provide a more satisfactory basis for calculating the degree of abatement of federal taxes that would be fair compensation for all provinces; the abatement would, of course, be phased to go along with the reduction in federal costs.

I mention this alternative to suggest that we should none of us enter this discussion with closed minds. We are examining the future of programs which have, on the whole, served well in the past. Our aim now is to find out whether, with changing conditions, there may

not be even better ways of doing things. There are few devices so good that they do not in time require re-examination. But it should not be a re-examination in which we deal only with pressing immediate problems. It should be a re-examination based on a look at the future and a full regard for the considerations which will truly maintain and strengthen the unity of our country in the years ahead.

HOUSE OF COMMONS

Monday, April 6, 1964

The house met at 2.30 p.m.

DOMINION-PROVINCIAL CONFERENCE

STATEMENT BY PRIME MINISTER ON MEETING IN QUEBEC CITY

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I indicated to the house on Friday that I would make a statement on motions on the recent federal-provincial conference held in Quebec city. Owing to the importance of the matters dealt with at this conference, I should apologize for the fact that the statement will be, I think, somewhat longer than is normally desirable in statements on motions; but I hope in this particular situation that will be understood and accepted. Even then it will not be possible for me to deal with all the matters discussed at Quebec, or perhaps fully deal with the three or four that I propose to mention.

The first matter which we discussed there, which is of immediate importance and interest to the house and indeed is before the house now, was the Canada pension plan. That matter of a contributory, nation-wide pension plan had been discussed at the conference held last November, and this was a continuation of the discussion we had at that time in the light of developments which had occurred in the meantime. I think it can be said that in the light of the discussion at Quebec the provincial and federal viewpoints have come closer together and that at the end of the conference there could be no doubt that pension coverage broadly of the kind proposed in the bill before this house will be made available in all Canada. It is quite true, of course, and indeed it was indicated before the Quebec conference, that the province of Quebec has announced its determination, its decision, to go ahead with a pension plan of its own. It will therefore be necessary for any national plan to work with the provincial plan.

I think it is also obvious that if other provinces, especially other big provinces, decide to go ahead with their own pension plan—and no decision of that kind was indicated at the conference in Quebec—this would make for certain administrative difficulties in regard to the Canada pension plan but would not make a Canada pension plan impossible in any way, shape or form. It is our view, and I think our view will be shared by many people, that a single national plan is preferable to national coverage by federal and provincial plans. Nevertheless, what I might call the mixed system would be unavoidable if a province or provinces decided to go ahead with their own plan. It is not the intention of the government, Mr. Speaker, to do anything by withdrawing the Canada pension plan to interfere with national coverage and we shall proceed to go ahead with our own plan as put before the house.

During the conference at Quebec the premier of that province gave a very useful clarification of his own government's thinking on pensions, and while it would be a breach of confidence for me to discuss his statement in detail, which has not yet been put before his own legislature, I think it is right to say that all those who were at the conference were impressed by what they heard of the Quebec plan. It is not identical, as is known, with the proposed federal plan. I think in some respects it is a less desirable plan than the federal plan, although that might not be true in the minds of those who drew it up for provincial purposes. But it is a plan, and I think this is the important thing, Mr. Speaker, with which it will be possible for a national plan to co-operate, and ensure by that co-operation complete portability between the provincial plan and the national plan. Mr. Lesage, the premier of Quebec, made it quite clear at the conference that he would work with the federal government to ensure that that kind of co-operation takes place if and when both plans are in effect.

No other province, as I have said, indicated at the conference an intention to establish a pension plan of its own. If one or more should do so the federal plan, of course, is so designed that it would still work with other provinces as long as all the provincial plans were compatible with portability, as is the proposed plan for Quebec. This is not, I repeat, to say that in our view a series of provincial plans is the best way to approach this important problem because that would make for administrative difficulty, but the purpose of our initiative in the federal government would be achieved if there was basic pension coverage of a portable nature available to all Canadians. The conference at Quebec city last week made this conclusion plain, that it is the desire of the provincial

governments and the federal government to achieve this objective in terms that reconcile federal and provincial jurisdictions.

There were other matters that were discussed, some of them of importance and, indeed, in one or two cases of a controversial character. These controversies arose during the discussions. May I refer to the proposal for the extension of family allowances to age 18 that was put on the agenda by the federal government because certain proposals had been made in this house for that purpose. It is our view that the government's proposal for this extension is a simple extension of the program which this parliament legislated in 1944.

No new principle is involved and, in the government's opinion, no constitutional issue is raised by this proposal. The purpose of family allowances is, and always has been, to assist families in the support of children while they are dependant. In 1944, this purpose was pretty well served by establishing 16 as the cut-off age. Most children at that time began to have earnings and comparatively few extended their education beyond that age. The situation has now changed and more and more children remain dependant beyond the age of 16. We propose, Mr. Speaker, continuing the allowance to 18 instead of 16.

In making that extension, we will apply the same tests as to whether a child is dependant as there have been before, and we made that clear to the conference. There was discussion of this subject at the conference and there have been discussions outside the conference, which seem to assume that the present allowances are paid unconditionally to any child up to the age of 16. This is not the case. In order for a family to be entitled to the allowance under the present act, a child must be either at school or unfit to attend school and, in the case of a girl, she must remain unmarried. I should like to make this clear by reading section 4(2) of the Family Allowances Act, 1944:

> The allowance shall cease to be payable with the payment for the month when the child: (a) ceases to be maintained by a parent; (b) ceases to be resident in Canada; (c) attains the age of 16 years; (d) dies; or (e) in the case of a female child, marries.

This is the section in the present act. The new proposal, as we attempted to make clear at Quebec, simply maintains the present conditions in the section, but instead of reading "sixteenth birthday", if all proposals were adopted in their present form it would be "eighteenth birthday". This would be the only change made. No jurisdictional question would be applicable, then, to the amendment we propose to the legislation which the parliament of Canada passed in 1944.

Having made clear our view of the constitutional position, I hope, I should like to go on to recognize, as we recognized at the conference, that in the case of Quebec there is a real, practical problem in this area which does not arise in the case of any other province, because in Quebec students of the ages of 16 and 17 already receive from the provincial government an allowance which, although different from the family allowance in form, does have much the same effect. It is the government's intention, therefore, to consider, in the light of the discussions at the federal-provincial conference what we can do to avoid duplication between federal and provincial actions in this field in these age groups.

Now, another subject which received a good deal of discussion at the conference was the proposal of the federal government in respect of loans to students. In examining this question, Mr. Speaker, we discussed some jurisdictional problems which would arise out of a proposal of this kind. Here, again, a constitutional point has been raised, and in some quarters has been emphasized. So far as I know, no one has challenged the right of the federal government to make loans or, as would be the case in this proposal, to guarantee loans through the banks.

The Quebec view, as expressed at the conference, recognized that this is in itself constitutional but added the rider, and I quote from the statement:

> —provided they are normal loans on which interest is charged.

The lending may be unconstitutional, it is suggested, because we propose the students should get the loans without paying interest while they are studying. That view on unconstitutionality we are unable to accept. If we have jurisdiction over banking and credit —and that is not challenged—then it seems to me clear that this includes the right to make certain loans especially attractive, if parliament regards that as a policy in the general interest of Canadians.

But here again, in the implementing of policy, there are certain practical problems, as we recognized when we put this and the previous matter I have mentioned on the agenda for the Quebec conference before bringing a detailed measure before parliament. In many provinces, not only in one province but in many provinces, there are already student loan schemes of various kinds, and so we want to ensure that there are adequate funds for the needs of all students and that they can be borne, where necessary, without burdening the student with interest while he is a student, and yet this can be in an administrative way which will be satisfactory to the provinces. The Quebec

conference provided a good practical discussion of the ways of achieving this objective and, as the communique points out, in our further consideration of the matter we shall take the views of the provinces, as expressed in Quebec, into consideration.

Now, Mr. Speaker, the one subject which provided the most discussion at the conference was that of shared programs and the possibility of provincial governments contracting out for their provinces from certain of these programs. The policy of the federal government in this field, which had been announced more than once before this conference, was stated again at the conference, as I think will be made clear in the opening statement I gave at the conference, and which is now attached to *Hansard* of last Friday. It is that the federal government is willing to negotiate appropriate contracting out arrangements with any province so desiring, in respect of shared cost programs which are of a continuing or permanent nature and which involve fairly irregular annual expenditures.

Any arrangements worked out, and this was accepted in Quebec last week, should provide (1) that the contracting out should be accompanied by equivalent fiscal and financial compensation; (2) that any contracting out should not prejudice the position of the other provinces which remain in the programs and, (3) that the federal government should do what it could to ensure national standards of services in respect of the shared cost programs. This can be done in a variety of ways by conditional grants, conditional fiscal compensation, and indeed in other non-fiscal ways.

At Quebec, having discussed this question of principle, we made an examination of the major shared cost programs which were appropriate for the application of these contracting out principles. The only province at the conference which indicated its desire to contract out from any of these programs was the province of Quebec, although others thought that there should be more consideration given to provincial wishes, provincial needs and provincial priorities in initiating any new programs, so that the provinces should have more responsibility for the administration of such programs. There is no difference of opinion between the provincial governments and the federal government on that score, and perhaps in the future improvements can be made in that direction if new programs are initiated.

We agreed at Quebec that detailed negotiations should begin at once with any province desiring to contract out of any program, detailed negotiations for each individual program concerning which a province might wish to contract out by the application of an appropriate formula.

The first phase of contracting out arrangements—and this was put to the conference—would apply to an interim period during which any province would continue the shared program exactly as it is but would receive equal compensation in the form of tax room and equalization payments. Negotiation on these points will be conducted individually with the provinces which so wish and the other provinces would be kept informed, on the understanding, which they have a right to insist on, that contracting out by any province will not affect the programs for the other provinces. New arrangements for contracting out beyond this interim period will also be considered in technical negotiations but they will necessarily raise further issues of policy of concern to all the provinces whatever their future intentions regarding these programs, and so these arrangements which are worked out and informally adopted concerning them would be taken back for general federal-provincial discussion.

I think it is fair to say we came to a very satisfactory agreement at the conference with respect to this question of shared cost programs—how to deal with any province which might wish to contract out from a particular program or from particular programs in such a way as not to prejudice the interest of the others and in such a way as not to prevent the federal government discharging its obligation or doing what it can to ensure comparability of services across the country.

Then we discussed at some length, also, the question of fiscal relations. I may say that discussion on this important subject was very much to the point and very frank, and did indicate as hon. members know, certain differences of opinion not only between the provincial governments and the federal government, as one would expect—such differences have existed at every federal-provincial conference—but also differences of opinion and emphasis in some respects between provincial governments themselves. But there was general agreement that the problem was one of recognizing the needs and responsibilities of both levels of government, federal and provincial, and providing for as fair a division as possible of revenue sources between them in order to meet increasing responsibility.

The provinces made it clear that their responsibilities have increased, were increasing and were not likely to diminish, especially in the fields of education and communication, and that their existing sources of revenue were not sufficient to deal with these increased responsibilities. The spokesmen for the federal government, while recognizing this, emphasized that the federal government had its

own increasing responsibilities to discharge to the Canadian people as a whole—responsibilities to deal with employment and unemployment, to direct economic and fiscal policies in the best interest of the whole nation, to equalize services and ensure comparable development in so far as government can do this, across the whole country; otherwise Canada will become a land of permanent "haves" and "have-nots" and the strains on our unity, already so great, would become intolerable. This was a federal responsibility we could not lose sight of as we discussed ways and means of helping provincial governments to discharge their responsibilities. No federal government can discharge its responsibilities to Canada by weakening itself financially, economically and politically, no matter how great its concern for provincial difficulties and its desire to help the provinces overcome them. I think, Mr. Speaker, we made that position clear to the conference. Therefore, in my view the federal government must remain strong enough financially and constitutionally to do the work allocated to it in our constitution. The spokesmen of the federal government made it known at Quebec that it intends to do what is possible to ensure this, while willing to examine every possible way of helping the provinces. As the communique states, there must be "mutual accommodation to reconcile their expenditure and revenue requirements."

For the current fiscal year, Mr. Speaker, that accommodation has been made, and it has been made I think in terms which do indicate the desire of the federal government to assist the provinces whenever that is possible. The accommodation made last November did not meet with the wishes of all the provinces, and no financial accommodation I have ever read about in these relations between the federal government and the provinces has at any time met the wishes of all the provinces. But it was laid down at our conference last November that certain changes could take place, and they have been reflected in our budget which has resulted in an additional amount of expenditure being transferred by the federal government to the provinces of $87,448,000. The arrangements for the current year had been made then, in November, so that in this matter the conference last week at Quebec was looking ahead beyond the current year. It was looking ahead in terms of the immediate necessities of the provinces, and we recognize those immediate necessities as we recognize our own. But we have been looking further ahead from the immediate necessities, and we agreed right away that to look ahead was to try to get away if we could from the ad hoc, piecemeal approach to this problem which has been followed over the years.

[Mr. Pearson.]

It was in that spirit that I proposed at the conference an approach toward finding a solution for these fiscal problems, an approach which I believe had never been made before. I suggested that the federal-provincial conference as a body—not the federal government, not a provincial government, but the federal-provincial conference as a body—should institute immediately a joint examination and review of this whole problem of fiscal relations. It would be a review of the nature and extent of federal-provincial taxes in addition to the financial responsibilities which nowadays have to be carried both by provincial and federal governments. It would be a review, as we put it in the communique, in depth, but it would be undertaken with all possible speed with the aim of producing a definite report by an early date in 1965. This proposal, which is in the communique, was welcomed by the premiers of all the provinces; indeed it was warmly endorsed by them. We in the federal government are now working on detailed proposals for the composition and terms of reference of a tax structure committee which we will be submitting to the provinces without delay. We will then ask the provinces, following the general agreement as to the desirability of the inquiry in itself, whether they will agree to take part by nominating a representative to the committee.

Perhaps I could conclude by reading what I said on this point at the last meeting of the conference:

> I think that our discussions have shown one thing above all with unquestionable clarity: we have not been getting to the roots of our problems. Our uncertainties take varying shapes, but we have in common a real uncertainty as to the nature of contemporary federal-provincial relationships within confederation.
>
> We all know that the answer to this problem will determine our survival, will govern our future as a federal state extending from coast to coast. We all know also that we will not find an answer through the kind of piecemeal consideration we have been giving to it. At our recent meetings we have been, I think, fairly successful in finding ad hoc solutions to points of immediate difficulty. As a group we have been reasonably adept at partial solutions and finding political and financial expedients. That is useful and essential. But it is not enough. We have to go deeper. The question is how.

Then I said:

> My suggestion is this: We as a conference should appoint a committee consisting of one minister from each provincial government and, say, two or three from the government of Canada. We should charge that committee, which would have to have full-time experts, to review the nature and extent of federal and provincial taxes in relation to the financial responsibilities which now have to be carried by both federal and provincial governments.
>
> This would be no ordinary committee. The inquiry will require great wisdom and expert knowledge. It will also require devotion to the ideal

of a strong federal government and strong provincial governments, working together for the realization of a prosperous and united confederation.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, a speech which began almost apologetically ended on a note of promise for the future. The setting up of a committee of 13 to look into the whole question of fiscal relations is indeed an indifferent conclusion to a most unsuccessful conference. I am surprised at the need for such committee to be set up because I seem to recollect that the premier of Quebec and the leader of the Liberal party, the present Prime Minister (Mr. Pearson), met together just one year ago and publicly agreed that the Liberal party had the solution to these problems. Now one year later we have the admission on the part of the Prime Minister that all they have had to date have been piecemeal, haphazard, ad hoc decisions; but now a new vista has opened before him and those associated with him which will bring about a new fiscal arrangement. As far as the Minister of Finance (Mr. Gordon) is concerned, he said on his arrival in Quebec: "I bring you no blank cheque". I am sure that all the premiers when they left agreed that that is exactly what they got following three days of discussion—a cheque completely blank, not filled out in any particular.

I do not want to go beyond the scope of the discussion which can take place at this point, but I am sure, Mr. Speaker, you would not consider it improper or out of place if I were to suggest that the Liberal party when in opposition had plans for Canadian unity to solve these problems, and to solve them finally and definitely. Now less than a year later we find divisions, cleavages and fissures in the Canadian confederation never equalled throughout the years since 1867. We believe —and there is no division between us and the government in this connection—that the strength of confederation is the major responsibility and objective if the federal system is to be maintained in law as well as in spirit. The Prime Minister has endeavoured to leave the impression that the recent conference was successful. It was a success in that it brought these various representatives together and they left in such good spirits; but the almost unanimous view of Canadians as a whole is that it was an abject failure. Indeed, to realize this one has only to read the press statement that was issued by Premier Lesage, which incidentally has not been filed or added as an appendix to *Hansard*, which set forth his view of that conference. No matter how much diplomatic finesse is apparent in the final communique, the conference was one of complete innocuity.

I am not going to refer in particular to the various matters with which the Prime Minister has dealt. Incidentally, Mr. Speaker, the Prime Minister smiles. I saw a picture of him in the Toronto *Star* and it said, "Pale Prime Minister speaks to press". This is the first time in history, sir, that I have known that difficulties changed the colour of one's hair from grey to black. The picture is well worth studying because it indicates that the day of marvels is not yet passed. We have heard about the doctrines of co-operative federalism. Do you remember, sir, what we used to hear about this? Co-operative federalism has in 12 months become synonymous with the epigram "60 days of decision".

What about the opening statement? The Prime Minister went before that conference and his remarks were limited to generalities. His only definiteness throughout the entire statement was with respect to contracting out provisions. The proposals advanced, as outlined in that speech, were indefinite, vague and general; there was nothing indicated of the leadership which we were led to believe would be given at this conference. In essence the proposals added up to vague declarations of good will and hopes of the future as to what might take place in the years ahead. I said there was no plan. There was, however, one striking plan placed before the premiers. It was that if the provinces would take over the administration of the act in regard to hospitalization, the Prime Minister would turn over to the provinces up to 40 per cent of the income tax. Well, sir, that plan had about the same hope of acceptance as if he had said they would turn over all the income tax to the provinces provided they took over the national debt of Canada.

That is the uncertainty here. This was a make-believe conference; one in which no action was taken, no determination was made; and it concluded with the expression of the desire of setting up a committee of 13, which has all the appearances of window dressing designed to conceal the failure of the federal government to have any plans to place before the conference.

I am very much concerned with the extension of contracting out. Is this one Canada, or is it not? Is it appropriate that the federal government should endeavour, or almost express the desire to engage in contracting out? Is it not a fact, sir, that contracting out, carried on to the degree envisaged by the Prime Minister, will mean in time the legalization of the de-confederation of our nation; the piecemeal dismemberment of the basic principles of confederation? Surely the Liberal party today does not subscribe to the disintegration of our country through setting up a variety of plans in every part of our country

covering such matters as come within the jurisdiction of the parliament of Canada? And yet that is where the diplomatic dawdling of one year on the part of this government has brought this nation. It has been diplomatic. The Prime Minister was diplomatic when the premier of Quebec set forth what he wanted in the month of April, 1963; and today the same situation prevails. But what does the premier of Quebec now say? As far as the Canada pension plan is concerned, which is still referred to as a national plan, I am not going into details at this time before we have the opportunity to debate that matter; but does anyone say a national plan can be envisaged with one, or two, or more provinces abstaining? What has taken place in the thinking of the government? Only a month or so ago the Minister of National Health and Welfare (Miss LaMarsh) said—and this was also said during the Ontario election— that if more than one province refused to go into the plan, that would be the end of it. What has taken place in the interval to change that thinking? The Prime Minister says they would establish what he called a mixed system. I agree that never in the history of this country has a government been more qualified for that description in its dealings with the affairs of this nation.

Then there is the question of family allowances. There was no question, according to the Prime Minister, that they were entirely within the jurisdiction of the federal government, without regard to the fact that a rider is attached providing that the children eligible for this payment continue in school. What does the premier of Quebec say following this wonderful meeting of minds, to use the expression that was indulged in on one or two occasions by one of the officials close to the throne? What happened in this meeting of minds? The premier of Quebec says he is going to challenge this in the courts. A year ago there was happiness in the family as between the federal Liberals and the provincial Liberals; they saw eye to eye. Now they see eye into eye. They look at one another with that challenge, and they are going into the courts. That is what this country has been brought to within a few short months.

Then there is the question of loans to students. This is the substitute sop for the plan that was promised to the student body of Canada—10,000 scholarships. What has happened to the scholarships? They have gone with the Canada development corporation.

An hon. Member: Gone with the Liberal wind.

[Mr. Diefenbaker.]

Mr. Diefenbaker: One wonders how a government could have found itself in such difficulty in so short a time. There was reference to the setting up of this committee. We have had any number of discussions with regard to looking into the problems of taxation and the fiscal relations between the federal government and the provinces. We have had a royal commission on that subject and now, after all these divisions and separations, the only part of the remarks of the Prime Minister that showed any enthusiasm was as he placed before us that nebulous scheme that holds out, as Mr. Lesage has said, no hope for the problem that is faced by this nation at this time.

I am not going to quote from the various press references on this occasion, but I do say that the premiers of Canada generally went home not only unsatisfied but uncertain as to the future of this country. I do not want to read into the record the press statement made by the premier of Quebec, so I will only refer to one or two comments. In so far as the plan for the committee of 13 is concerned he said:

—it was agreed that action would quickly be taken to study the mechanism of contracting out and of applying them.

He said they would look into that. On the second subject and an equally fundamental one, that of fiscal arrangements, with regard to which a committee of ministers will make a study in depth, he had this to say:

If we have understood the correct interpretation of the project, this would be the true and deep justification for the intergovernmental committee which has been proposed—I merely said that we would like to give further thought to this question before making a statement.

The Prime Minister said today it has been agreed to, so it must have been agreed to since this press statement was made by the premier of Quebec. But then the premier of Quebec went on to say:

For this committee in itself does not settle, nor does it promise to settle with the dispatch which we believe indispensable, the problem of fiscal arrangements—

Then he quotes words he used in the brief and goes on to say:

These words and the tone of urgency in which they were couched were not written without sober thought. Very precisely they mean that we do not believe that Quebec can wait any longer for steps to be taken.

Here we have a renewal of the ultimatums of last April that were delivered by the ministers of that government. Nothing is said about an increase in the share of the provinces in the taxation field, but the premier of Quebec had this to say:

—three figures, 25-25-100, cannot remain a dead issue....We must say that the government of Quebec is not satisfied—

Then he goes on to say with regard to education that what has been done in the two most recent initiatives of the federal government constitute encroachments on the most important sector of provincial jurisdiction, that of education. He says that loans to students are in the same position. Then he goes on to say:

> —we cannot accept that the federal administration commit the error, regardless of the good faith in which it would be committed, of thus invading a field which is incontestably of our jurisdiction and which, furthermore, we have occupied for the past three years.

Yet in the face of that the Prime Minister tries to leave the impression that all is well. Sir, a great challenge has come to this country, a challenge whether or not we are going to have one Canada, which has been the policy of the Conservative party from the days of Macdonald and Cartier to today. What happened at this conference constitutes a challenge to that whole concept; and it is not the provinces that are responsible for what has taken place, for the tremendous upheaval in the thinking of the people of Canada. Those responsible sit in the government ranks on the treasury benches. A year ago they said they had the answers; today they say that a committee of 13 may have the answers.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, the Prime Minister's report on the federal-provincial conference held in Quebec city last week was interesting but discouraging. Many had hoped that at this conference the heads of the governments of Canada would be able to demonstrate a measure of statesmanship that would prove they were conscious of the fact that the greatness of a country depends on more than just the sum total of its parts. One became conscious as the conference proceeded that the representatives of some parts of Canada seem to have lost sight of the fact that they were Canadians as well as speaking for the provinces which they represented.

The Liberal party has always boasted that it and it alone can provide national unity in Canada. I want to say that if last week was a demonstration of the Liberal party's idea of national unity, then heaven help us in the years that lie immediately ahead.

The Prime Minister has mentioned three matters and I should like to say a word or two about each of them. The first is the Canada pension plan. We welcome the statement of the Prime Minister that it is the intention of the government to proceed with this plan even though some of the provinces may institute plans of their own. So far the only province that has indicated definitely that it will proceed with a provincial plan is the province of Quebec. I do hope that every effort will be put forth to persuade the province of Ontario to join the federal plan.

There is one feature which I am sure is of interest to the premier of Ontario and which in my opinion is negotiable. That is the matter of the funds under the plan which are available for investment. In its original form there was no division of the funds with the provinces. In the measure now before the house I believe the proposal is that 50 per cent of the funds will be available for provincial investment. It may be that the provinces, particularly the province of Ontario, would settle for a larger percentage of that fund, and I personally can see no objection to agreeing to 75 per cent or 80 per cent of the fund being used for provincial investment. If that would keep Ontario in the plan I think it ought to be proposed to them.

There is one thing I hope the government will not do. I hope it will not agree to any further curtailment of the benefits which are to be made available to the contributors and participants in the plan. The Prime Minister said, if I took down his words correctly, that "pension coverage will be made available in all of Canada." I assume he means by this that every person in Canada will be covered by a provincial plan or the federal plan. This will at least be better than nothing. But a patchwork plan, with some people belonging to a provincial plan and some to a federal plan and where no matter how many administrative difficulties are resolved there will still be an abundance of red tape as people move from one part of the country to the other, will be a plan that is second best to the original idea of a Canada-wide pension plan.

I hope too that if the government is not able to persuade the provinces of Quebec and Ontario to forgo the establishment of provincial plans it will revert to the plan which it envisaged last July, which was much more generous to the participants and which was trimmed down deliberately by the government in order to meet the objections of certain provincial premiers.

The second thing to which the Prime Minister made reference was loans to students and the extension of family allowances to cover those 16 and 17 years of age who are still attending school. I hope the government will proceed with both of these measures, irrespective of any threats to test their constitutionality in the courts. I am not a constitutional expert, but I am sure the government has looked into this matter. The federal government already guarantees bank loans for home improvements, for small businessmen, for fishermen, for farmers and for

municipalities. Certainly the guaranteeing of loans to students, even though part of the interest is to be forgiven, would seem unlikely to raise any serious constitutional problem.

So far as family allowances are concerned, these have been unchallenged for years, and the extension of the age from 16 to 18 ought not to seriously affect and will not, in my opinion, seriously affect the principle.

The third thing to which the Prime Minister has made reference is the shared programs. I want to say to the Prime Minister that I was disappointed that he, in his opening statement, raised this whole question of shared programs, and raised it in a way which in my opinion will do great harm to the bonds that hold confederation together. I readily admit there are many shared programs that need to be reexamined. There are many conditional grants which are much too rigid, with the result that the provinces cannot make effective use of them. A number of the shared programs should be reexamined and in some cases discarded in return for some form of unconditional grant, some further tax abatement or a further adjustment in the equalization grants.

The Prime Minister himself, in his opening statement, selected the hospital insurance plan to illustrate that it might be possible to turn this program over to the provinces in return for a 13 per cent abatement in personal income tax. I know that this agreement has not been concluded, but the Prime Minister's statement amounted to an offer. I hope that the house and the government will keep in mind what is involved if the Prime Minister's offer is accepted. Health and welfare programs are part of the atmosphere that produces a sense of identity in a country. The fact they are Canadians entitles them—from one part of this country to the other, from the Atlantic to the Pacific, to enjoy certain basic health and welfare rights, not because they come from Prince Edward Island or British Columbia but because they are Canadian and have inalienable rights, is the thing that gives people a Canadian identity. The fact they are Canadians entitles them—without any red tape or having to fill out provincial forms or go through a lot of administrative bureaucracy—to these benefits wherever they are in Canada and, in certain cases, wherever they are in the world.

Now, we are destroying this concept the moment we turn hospital insurance over to the provinces. It is all right to say that for the first few years one of the conditions of receiving tax abatement will be adherence to certain national standards. How is the federal government going to enforce such standards? With the passage of time these plans will change in each province. They have changed already in some provinces. Some provinces charge so much a day, some have a sales tax and some have a per capita tax. There are already variations. I submit that in a quarter of a century we will not recognize the hospital insurance plan if the day comes when its administration and financing is done by ten separate governments.

There is a more serious objection. The Liberal party has been committed for 40 years to the establishment in Canada of a comprehensive national health insurance program, jointly operated by the federal and provincial governments. The logical development was to extend the hospital insurance plan and add to it step by step the various health programs such as medicare, dental care and optomertic care, drugs and other health services. The day that hospital insurance is fragmented between the provinces across Canada, the hope of extending that program into a comprehensive national health insurance program goes down the drain. I hope the government will think this matter over very carefully before proceeding along the lines outlined by the Prime Minister.

I recognize that there is a problem in the province of Quebec and that the government may have to make special arrangements for that province. I ask the government, in making special arrangements for the province of Quebec, not to forget one very basic principle, namely that a concession made to Quebec which might help Quebec will not help the other provinces, and that the government has to keep in mind the differential in the per capita revenue from taxes levied in the different provinces. The giving of a tax abatement to the province of Prince Edward Island will never allow Prince Edward Island to operate a hospital insurance plan or a comprehensive health program. The small provinces must not be lost sight of in the government's desire to appease the very legitimate aspirations of the two larger provinces. These smaller provinces cannot manage these health and welfare programs alone, even if the government gives them a tax abatement. They have not the revenue resources at their disposal to manage programs which, if the government thinks they are expensive today, will be tremendously more expensive within the next decade or two.

I say to the government that while special concessions and special arrangements may have to be made with the province of Quebec because this is a bilingual and bicultural country, I hope the government will not adopt policies that will fragment the rest of Canada.

I am saying to the government that the statement outlined by the Prime Minister of

Canada the other day in Quebec city is a serious one. If the government proceeds with it they are setting their feet along a trail that will lead to the weakening and balkanization of Canada and with it the loss of a sense of identity without which no people can become a great nation.

Mr. R. N. Thompson (Red Deer): Mr. Speaker, this not being the time to debate the matter my remarks will be brief. I am convinced, however, that we are dealing with what is the most serious and most critical single problem we have in Canada.

As I listened to the remarks of the previous speakers I could not help but think that perhaps in this situation we have an important role to play as a house of minorities. This is something which does not concern one party but which concerns all of us as representatives of the Canadian people. This is no time for a partisan approach to this problem. We must somehow join hands, both provincially and politically, to try to find an answer to the problem before Canada ceases to be a nation at all.

Speaking very briefly to the several points which have been mentioned, so far as pensions are concerned there are two basic objectives behind any pension plan, be it provincial or federal. These are that security be guaranteed to our people, particularly when because of age or for other reasons they are no longer able to earn their own living; and second that the arrangements which provide this security be made on such a basis that portability will permit an individual to carry that security which he must have, and which we all desire him to have, with him, regardless of the conditions or situation in which he finds himself.

I am concerned whether or not we can have a truly national plan if 30 per cent or 65 per cent of our people, because of the actions of their governments in their particular provinces, refuse to go along with it. I would caution the government not to proceed too quickly just because it was its original intention to bring about a national pension plan, for fear that it may bring in a program that will defeat the very purpose which it is intended to accomplish.

Whether it be a unanimously agreed plan or whether some of the provinces choose to opt out, the fact remains that it must be a pension plan which will have some degree of uniformity if it is to guarantee the portability and security which we are attempting to achieve. Therefore I trust the government will not plunge into this thing because of any commitments it may have made previously, and I urge it to proceed cautiously, having regard not only to the provincial aspects but to the economic situation in Canada.

In relation to family allowance extension and student loans, if we have been able to carry on with this phase of our programs without being challenged, as we have in the past, there can be no valid reason for challenging it at this point. These two very important matters, although they may seem minor, must be carried through, and I trust they will, because they involve the education of our young people and the provision they must make at this time for their future means of livelihood.

In relation to fiscal policies, and this also includes the shared programs, the federal government should take the lead in setting out a pattern in which the autonomy of the provinces is truly respected. I cannot see how this or any government can continue to hang on to certain responsibilities relating to fiscal policies and shared programs that were taken away from the provinces on a temporary basis during wartime, and which have not been returned since.

I believe all the provinces—remembering there are some that must receive help and others that do not need help, and that because of this somehow there must be a continuing program of equalization—would be much happier if they knew exactly just how far the federal government was going to go in respecting autonomy, and if at the same time the federal government made clear to the provinces the responsibilities they have to maintain in order to secure the necessary funds for our nation to continue as a nation.

This problem will not be solved by dividing ourselves into ten pieces, or by neglecting or paying mere lip service to the basic autonomy we regard as essential for the provinces. In this regard we must remember that Canada is a nation and we all have responsibilities, both individually and as provinces, to this nation. We must remember that there is only one taxpayer in Canada and that all taxes collected by whatever form of government come out of his pocket. That taxpayer is and includes all of us.

Whether we call the answer to the problem co-operative federalism, or whether we call it confederation as it was originally spoken of when we came together as a group of provinces, the fact remains that there must be a foundation on which a nation can stand. Unless we recognize that and give it definite form, then it is impossible to continue as a country.

That is why we must regard this particular statement which the Prime Minister has given as of such magnitude that it is the most important thing we have facing us in this session. Therefore I urge that we all face it from this aspect, and I would ask the government that it take the lead in setting

up not just occasional federal-provincial conferences—though we have had many in recent months—and not just a study in regard to fiscal policies, but some kind of permanent machinery to make a more careful study of the whole question of confederation to determine by what means we can continue as a nation in Canada.

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, the Prime Minister (Mr. Pearson) may speak about the constitutionality of certain steps taken during the last federal-provincial conference; the Leader of the Opposition (Mr. Diefenbaker) may continue to play politics with these matters; the leader of the New Democratic party (Mr. Douglas) may fear a balkanization of Canada, but there is one thing which still remains and should not be forgotten: we are now experiencing in Quebec a desire, a pride and even more, a passion and an aggressive eagerness to take in our own hands our possibilities, our facilities and our means of development and self-attainment.

That is, Mr. Speaker, the basis of all discussions such as those which were held during the last federal-provincial conference. Exactly a year ago yesterday, the Quebec premier said:

> Twelve months will elapse before the next budget is brought down. Either the central government, whichever party comes into office on April 8, will avail itself of the 12 coming months to take into account Quebec's requirements, or we, in Quebec, will have seen to it, during the same period, to make the necessary decisions in fiscal matters.

We have waited a year. That period seemed long to us. During the past year several happenings have stressed the insistence and determination of Quebec to recover and take over control of its destiny and the sovereignty of its means of action.

At that time it claimed 25, 25 and 100 per cent of three sources of income. The majority said: this is only the beginning, we want 100 per cent.

Perhaps some members will not understand what this means, but we know, because we are proud of our destiny and we believe in it.

The federal-provincial conference took place in two stages and ended up as a complete failure, in spite of what the Prime Minister may say, he might shut his eyes on the matter or be blinded by his entourage. It might be that entourage which is mostly to blame, and especially the French Canadian ministers, who far from being brilliant, dared not take their own place and who acted as flatterers and yes-men, rather than being the spokesmen and flag-bearers of the French Canadian people in defence of their deep and fair claims.

The Secretary of State (Mr. Lamontagne) may say that everything is fine, but it is because he is not aware of what is happening at the present time in the province of Quebec. And the other French Canadian ministers can remain deaf and dumb because they care more for their quiet life, their little job, than for the rights of their compatriots within confederation which they should be fighting for.

[*Text*]

Mr. Speaker: Order. May I suggest to the hon. member that while criticism of the action of the government is well within the rules, language bordering on personal attack is neither in good taste nor is it within the rules.

[*Translation*]

Mr. Gregoire: It may be that in the past we, in Quebec, tried again and again to find guilty parties everywhere, without exactly finding the right ones, because in most cases they belonged to our own people.

Many times, in the house, I deemed it advisable to let the present government know how serious and determined the people of Quebec were about their rights. We deemed it advisable to make suggestions, radical sometimes, but always logical, realistic and sensible.

The Prime Minister and his government chose not to listen. The federal-provincial conference is over and we do not hesitate to state that it was a dialogue between deaf people.

We are still talking of the statement made earlier by the Prime Minister on the constitutionality or granting family allowances at 16 or 17 years of age. Since when is there anything in the Quebec legislation making it compulsory to attend school up to 18 years of age? Since when? We believe that is a direct interference of the federal government into the educational field of the province of Quebec. The intrusion first started into well defined fields and as each year goes by we see the federal government intrude in other educational fields. We are determined to put a stop to these intrusions.

Today, following the federal-provincial conference, what do we hear in the province of Quebec? As far as the people are concerned, it has been a failure. The federal-provincial conference was an abject failure, and that fact has been confirmed in editorials published by various newspapers in the province of Quebec.

May I quote only one editorial published in *Le Soleil* on April 4 and written by Mr. Henri Dutil. It reads as follows:

The last call has really been sounded and we may have seen the last federal-provincial conference. That is the opinion now prevailing in serious circles where the affairs of the nation are discussed daily.

Now, we may read in *l'Action* the following item, signed by Jean Hubert:

The fact that the Quebec premier, Mr. Jean Lesage, considered that he should personally issue a different press release from the official one, points unquestionably to the gravity of the situation.

The problem did not take shape overnight. It is due to growing federal intrusion in provincial affairs, and more particularly in the taxation field.

I shall also quote Mario Cardinal, writing in *Le Devoir*:

Perhaps confederation never has seemed as publicly threatened and at such a high level.

And there is the large heading of an article by Jean-Pierre Fournier, which says:

Confederation torn apart.

Those, Mr. Speaker, are reports and editorials which deal with the present situation.

We saw students make a public demonstration to try and open the Prime Minister's eyes, during the federal-provincial conference, and make suggestions which were serious in themselves and should have been taken into consideration. But nothing was done. Today, there is some talk about celebrating confederation. Listen to what is being said in the province of Quebec in respect of confederation. Practically nobody there believes in a confederation, the centennial of which should call for a celebration.

And who is responsible? Ottawa has its share of responsibility.

If we take a closer look at that situation, we realize that there are in fact persons to blame, not only in Ottawa, but directly within the provincial government. Incidentally, about that federal-provincial conference, may I point out the stand taken by the Quebec premier on that occasion?

We cannot forget that he was once a member of the federal cabinet which made headway in the spoliation of the rights of French Canadians by the federal government. We cannot forget either that he was then a champion of centralization, here in Ottawa.

We wonder whether it is not for that reason that he is so soft towards infringements by Ottawa.

Now, he claims to be an autonomist, and we are really amazed by the lack of seriousness in his fight against that new centralization.

We only have to recall that when arrangements on taxation rights were made during the last war, to enable the federal government, because of the urgency, to take over certain direct taxes to meet the needs of war, it was provided that after a period of one year, an order in council passed by a province could end that centralization of taxation rights. Why does not Mr. Lesage take such a step? Why does he not take back those sources of income and why does he not put an end, in a unilateral manner, to that infringement by the federal government into the field of direct taxation?

Is the premier of the province of Quebec serious when he fights to regain our fiscal rights? Today, we indeed have cause to wonder.

You recall what happened at the time of the last federal-provincial conference. Beaten by Ottawa, he has now changed and wants to turn against the people of Quebec and deprive them through double taxation.

Mr. Speaker, I take advantage of this forum to tell the government of the province of Quebec that when one has rights, he does not discuss, he takes them, especially when the law allows him to do so. I believe it would be appropriate to quote the statement of Premier Manning of Alberta who said, as reported by the newspaper *Le Soleil* of April 4:

Premier Jean Lesage was not roaring like a lion.

It was laughable to read some accounts of the alleged threats during the federal-provincial conference.

Mr. Speaker, at least we tried discussing, but to no avail.

Studies, committees, conferences, discussions, meetings among 13 ministers, all that, from now on, should end.

From now on, we shall take the necessary democratic means to recover what belongs to Quebec. We shall take those means when and where they are required.

As I said, we have nothing against the other provinces or the other citizens of Canada. We do not want to take anything away from them. We want only what belongs to us and we shall get it.

Mr. Speaker, I shall close my remarks by quoting a sentence of the mayor of Montreal, Mr. Jean Drapeau. As stated in *Le Devoir* of this morning, Mr. Drapeau said:

There are three different trends among French Canadians: co-operative federalism, a binational confederation and independence for Quebec; there is no doubt that it is mostly between these last two alternatives that some day a choice will have to be made.

Mr. Speaker, I want to repeat this last part of the sentence:

There is no doubt it is mostly between those last two alternatives that some day a choice will have to be made.

And *Le Devoir* goes on:

Such are the terms, which leave little room for ambiguity, in which the mayor of Montreal,

Mr. Jean Drapeau, predicted yesterday the failure of Canadian co-operative federalism.

Mr. Speaker, I say to everybody and to the country as a whole: if you still want Canada to remain united, accept the theory of bi-nationalism, and do it before it is too late, or else it will be complete and total separatism.

Mr. Speaker, those words contain no threat and no ultimatum. They simply constitute an expression of an implacable reality and an irreversible movement from a proud and noble people who understands that it must control its economy, its educational system and its social institutions, to expand in accordance with its own aspirations.

Henceforth, our activities will converge along these lines, and you can believe me when I say that we shall win, with or without the co-operation of Canada as a whole.

[*Text*]

BRITISH NORTH AMERICA ACT

AMENDMENT TO ABOLISH THE SENATE

Mr. Speaker: Subject to the same caveat given by the Chair about this type of bill I call on the hon. member for Winnipeg North Centre (Mr. Knowles).

Mr. Stanley Knowles (Winnipeg North Centre) moved for leave to introduce Bill No. C-88, to amend the British North America Act, 1867 (abolition of the Senate).

Some hon. Members: Explain.

Mr. Knowles: Mr. Speaker, the purpose of this bill is to implement the fundamental principle of democracy that the laws of a country should be made only by the elected representatives of the people. Its aim is to remove the possibility of the legislation enacted by the elected representatives being interfered with or delayed by a body of persons which has no mandate from the people of this country. The Senate being such a body this bill proposes its abolition.

Clause 1 of the bill provides that the parliament of Canada shall consist of the Queen and the House of Commons; the rest of the clauses in the bill make the necessary consequential amendments to the British North America Act.

I should like to express my thanks to our parliamentary counsel for his assistance to me in drafting this bill.

Some hon. Members: Order.

Mr. Knowles: I am sure that in view of this fact, Mr. Speaker, your caveat was unnecessary.

In view of the interest in this bill I wonder whether, after it has had first reading, there might be unanimous consent to its being put at the top of the list of public bills for discussion on second reading later this week.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I rise on a point of order. Although the detail of the proposed bill is not before the house its stated purpose makes it abundantly clear that no matter how the bill may have been drafted, or by whom, the proposed bill would be unconstitutional. I say this because its effect would be to alter radically in a unilateral manner the composition of the parliament of Canada.

The British North America Act contains guarantees to certain provinces such as Nova Scotia, New Brunswick, and more recently Prince Edward Island, whereby the representation in this house from those provinces is linked to the number of senators from those same provinces. To abolish the Senate without the consent of those provinces, and in fact of all the provinces, would be to brush aside constitutional guarantees solemnly made, and as solemnly observed to date, in order to ensure the original entry to and continued participation in Canada of those provinces so affected. The hon. member has not this consent nor could he get it. Further, such a bill would have consequential effects on the Representation Act, the details of which I need not go into but which, I submit, result from the same defect I mentioned previously.

Finally, I submit that it has never been in the contemplation of the constitution of Canada nor in the concept of our parliament that either the House of Commons or the Senate should have the right even to introduce legislation to abolish the other. To concede that the Commons could legislate the abolition of the Senate must lead to the equally absurd proposition that the Senate could legislate the abolition of this chamber. On these limited grounds of unconstitutionality—and there are others—I submit that any proposed bill to abolish the Senate is presently out of order and should not be read even the first time. It is repugnant, sir.

Mr. Knowles: Mr. Speaker, I rise to speak to the point of order which has been raised by the hon. member for Edmonton West (Mr. Lambert). First may I say that I must express surprise that he presumed to comment on the details of a bill which has not yet been printed, and therefore which he has not seen, although Your Honour has in your hand, a copy of the bill. The hon. member for Edmonton West suggested that a problem is raised in connection with representation in this house. As Your Honour can see if you look at the bill, a copy of which you have in your hand, it contains clauses dealing with that very point, namely the basis on which certain floors are provided for representation

in this house. I am also amazed that my hon. friend, being the learned lawyer he is, referred to these senatorial floors as though they were provided in the original British North America Act. Such is not the case; they were not written into the act until 1915.

Therefore I suggest that the points raised by the hon. member fall to the ground. The fact is that under Section 91A of the British North America Act we have the right to amend our constitution with respect to matters which are exclusively federal. We have already done so with respect to the representation in the House of Commons. There are other bills on the order paper with respect to matters of representation and the qualifications required of a senator. Both the present government and the previous one have made such proposals. I suggest that with regard to the right of this House of Commons to introduce and deal with such a bill and send it on to the other place there is no question whatsoever; and I feel that the advice I received from our parliamentary counsel is superior to the advice which has been tendered to Your Honour by the hon. member for Edmonton West.

Mr. Speaker: Hon. members will have noticed that I gave a caveat at the beginning of the introduction of this bill, and at this time it seems desirable to refer hon. members to Beauchesne's fourth edition, citation 71(5):

The Speaker will not give a decision upon a constitutional question nor decide a question of law, though the same may be raised on a point of order or privilege.

In the circumstances it seems to me there is only one thing to do, and I will do it now. Is it the pleasure of the house that the hon. member shall have leave to introduce the said bill?

Some hon. Members: Agreed.

Some hon. Members: No.

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

And more than five members having risen:

Mr. Speaker: Call in the members.

The house divided on the motion (Mr. Knowles) which was agreed to on the following division:

YEAS

Messrs:

Asselin (Notre Dame de Grace)	Benidickson
Badanai	Benson
Batten	Berger
Beaule	Blouin
Bechard	Boutin
Beer	Brewin
	Byrne
Cadieux (Terrebonne)	Leboe
Cameron (Nanaimo-Cowichan-The Islands)	Leduc
Cantin	Lessard (St. Henry)
Caouette	Lloyd
Cardin	Loiselle
Caron	Macdonald
Carter	MacEachen
Choquette	McIlraith
Cote (Chicoutimi)	McNulty
Cowan	McWilliam
Crossman	Marcoux
Davis	Martin (Essex East)
Deachman	Matheson
Deschatelets	Matte
Douglas	Mitchell
Drury	Moreau
Dupuis	Morison
Emard	Mullally
Favreau	Nicholson
Forgie	O'Keefe
Francis	Olson
Gauthier	Orlikow
Gelber	Patterson
Godin	Pearson
Gordon	Pepin
Gray	Perron
Greene	Peters
Gregoire	Pickersgill
Guay	Pilon
Habel	Plourde
Haidasz	Prittie
Harley	Prud'homme
Hays	Richard
Hellyer	Rideout
Howard	Rinfret
Howe (Hamilton South)	Robichaud
Jewett, Miss	Rock
Knowles	Rouleau
Konantz, Mrs.	Ryan
Lachance	Scott
Laing	Sharp
Lamoureux	Tardif
Laprise	Teillet
Laverdiere	Thompson
Leblanc	Webster
	Winch—104.

NAYS

Messrs:

Alkenbrack	MacInnis
Balcer	MacLean (Queens)
Baldwin	Macquarrie
Bell	MacRae
Bigg	McBain
Cantelon	Madill
Cardiff	Mandziuk
Churchill	Martineau
Clancy	Monteith
Coates	More
Crouse	Muir (Lisgar)
Danforth	Nasserden
Diefenbaker	Nesbitt
Doucett	Nielsen
Fane	Noble
Flemming (Victoria-Carleton)	Nowlan
Grafftey	Nugent
Hales	Pigeon
Harkness	Rapp
Howe (Wellington-Huron)	Rheaume
Irvine	Ricard
Jorgenson	Simpson
Kennedy	Starr
Lambert	Stenson
Loney	Thomas
MacEwan	Webb
	Willoughby
	Winkler—54.

British North America Act

Mr. Knowles moved the first reading of the bill.

Motion agreed to and bill read the first time.

Mr. Speaker: When shall the said bill be read the second time?

Some hon. Members: Now.

Some hon. Members: Next sitting.

Mr. Knowles: Mr. Speaker, in view of the interest in this bill and the desire that there seems to be to debate it, would the house give unanimous consent to it being placed at the top of the list of public bills so that second reading could be taken tomorrow?

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Speaking for the official opposition, we would certainly do that in order to give the members of this house an opportunity to stand up and be counted on the question of the abolition of parliament; because under section 17 of the British North America Act parliament shall consist of the Queen, an upper house styled the Senate, and the House of Commons. We hope that these people will have an opportunity of standing up and voting for this.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, though there may be bills of equal or even greater importance on the order paper, in view of the stand taken by the Leader of the Opposition, and in view of the necessity of clearing up this violation of the bill of rights on the part of the official opposition by refusing to allow even the introduction of a bill—

Some hon. Members: Oh, oh.

Mr. Pearson: If a bill is not suitable for introduction, it should not appear on the order paper. However, once it is on the order paper it should be introduced.

Some hon. Members: Oh, oh.

Mr. Pearson: I am shocked and amazed at the right hon. gentleman refusing to allow a bill of this kind even to be introduced for discussion in the House of Commons. I think he ought to be given every opportunity, as quickly as possible, to explain his unbelieveable position on this matter.

Mr. Speaker: The hon. member for Winnipeg North Centre asked unanimous consent of the house to have this bill put at the top of the list. Does the house give unanimous consent?

Some hon. Members: Agreed.

An hon. Member: The hon. member for Edmonton West said no.

[Mr. Speaker.]

Mr. Speaker: Did any hon. member say no?

Some hon. Members: Agreed.

Mr. Speaker: I take it that there is unanimous consent.

Mr. Knowles: Five o'clock tomorrow.

Mr. Cashin: With reference to the vote that was just taken, I may say I was paired and had I not been paired I would have voted for the motion.

[*Translation*]

Mr. Chretien: Mr. Speaker, I was paired. Had I voted, I would have voted for the motion.

[*Text*]

PRIVILEGE

MR. CHURCHILL—DROPPING OF MOTION FROM ORDER PAPER

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I am rising on a question of privilege. I should like to inquire why the motion standing in the name of the Prime Minister was dropped from the order paper without the authority of the house? The motion read as follows:

March 27—The Prime Minister:

That immediately after royal assent has been given to the bill providing for the appropriation based on supplementary estimates (E), this house adjourn until Monday, April 6, 1964.

It was called on Friday and the Prime Minister said "Stand", as recorded in *Hansard*. Why does it not appear on today's order paper?

Mr. Knowles: Because it was not in the possession of the house.

Mr. Speaker: I am advised that when a notice of this particular type is given, until such time as the motion is introduced, the Clerk of the house, when notified the motion is not being proceeded with, has the right to withdraw the motion.

Mr. Churchill: May I ask, then, what the purpose is in asking the house if it consents to the motion being allowed to stand, as was done on Friday? It was in the possession of the house in that it appeared on the order paper and the house must be asked what it intends to do about it. The house may refuse to let it stand.

Mr. Knowles: What does the hon. member want to do about that now?

Mr. Speaker: The house cannot refuse the request of the government to stand the motion. In the present case, I understand

that a request to remove the motion was made to the Clerk and consequently it was taken off the order paper.

Mr. Starr: More short cuts.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

GOVERNMENT PROPERTIES IN OTTAWA AND HULL

Question No. 68—**Mr. Latulippe:**

1. What is the estimated total value of government properties and lands in Ottawa and Hull?
2. What were the expropriation costs to the government during the past five years?
3. What (a) provincial (b) municipal (c) school taxes did the government pay during the past two years?

Mr. Lamontagne: 1. Total accepted value of federal property: (a) within the boundaries of the city of Hull $8,053,025[1]; (b) within the boundaries of the city of Ottawa $117,350,000[2].

2. The expropriations made by the Department of Public Works in the Ottawa-Hull district, from December 1959 to December 1963 amounted to $619,384 in all.

The expropriation costs to the national capital commission in the past five years have been $11,984,580.

3. Ottawa: (a) Not available; (b) and (c) grants in lieu of municipal and school taxes paid to the city of Ottawa: (1) for 1962 tax year $5,369,121*; (2) for 1963 tax year $5,625,952*.

Hull: (a) Not available. (b) Grants in lieu of taxes paid to city of Hull: (1) for 1962/63 tax year $216,083; (2) for 1963/64 tax year $216,083. (c) Grants in lieu of taxes paid to Hull school commission: (1) for 1962/63 tax year $217,432; (2) for 1963/64 tax year $211,544.

[1] Approved assessed value on which the annual grant is paid under the Municipal Grants Act.

[2] Estimated approved assessed value on which the 1963 annual grant will be paid under the Municipal Grants Act.

* Interim payments representing 95 per cent of estimated final grants.

SHIPS CARRYING CARGO TO NORTH

Question No. 180—**Mr. Smith:**

1. How many cargo-carrying ships were employed by the Department of Transport and other government agencies for carrying cargo into northern and Arctic areas of Canada during the 1963 shipping season?
2. How many of these ships were built in Canada?
3. How many of these ships were Canadian owned?
4. How many of these ships were owned by the Canadian government?
5. How many of the ships were foreign owned?
6. What was the total tonnage of the foreign ships so employed?

Mr. Lamontagne: 1. No cargo carrying ships were employed by the R.C.M. Police for carrying cargo into northern and Arctic areas of Canada during the 1963 shipping season, however, 15 vessels under charter or owned by the Department of Transport and two owned by the Hudson's Bay Company carried cargo for the R.C.M. Police.

26 by the Department of Transport.

2. 15.

3. 26.

4. 18.

5. Nil.

6. Nil.

*CREDIT FOR SEED GRAIN PURCHASES, MANITOBA

Question No. 250—**Mr. Slogan:**

In view of the severe crop failure experienced in the eastern and interlake areas of Manitoba, would the government extend the provisions of the Farm Improvement Loans Act and the powers of the Farm Credit Corporation to make it possible for farmers in this area to obtain credit for the purchase of seed grain?

Mr. Beer: Assistance in the procurement of seed in the circumstances referred to in the question is provided by provincial and municipal governments and is regarded as a provincial matter. The provincial statute in Manitoba under which assistance is available in unorganized areas is the seed and fodder relief act. In municipalities it is covered in the municipal act.

*REC-STONE COMPANY, VILLE D'ANJOU, QUE.

Question No. 257—**Mr. Marcoux:**

Does the Minister of Justice intend to ask the superintendent of bankruptcy to make an investigation into the case of the Rec-Stone Company of Ville d'Anjou, P.Q. and, if so, will the superintendent take steps to establish the role played in that company by Mr. Gerard Levesque, barrister?

[*Translation*]

Mr. Favreau: 1. The Rec-Stone Company was declared bankrupt by virtue of a trustee's order issued on January 29, 1964. The first meeting of the creditors was held only recently, that is on February 20. Under the Bankruptcy Act, the superintendent of bankruptcy must control the administration of the trustees but it is not his duty to inquire about the conduct of people interested in a previous bankruptcy. It is up to the creditors to take that initiative.

2. Consequently, it is not intended to ask the superintendent of bankruptcy to make an investigation.

Questions

[*Text*]

*CONDEMNATION OF RACIAL DISCRIMINATION

Question No. 272—**Mr. Klein:**

Has the government given consideration to the enactment of legislation to provide that all propaganda and organizations based on ideas or theories of the superiority of one race or group of persons of one colour or ethnic origin with a view to justifying or promoting racial discrimination in any form shall be severely condemned as provided for in the resolution adopted by the general assembly of the United Nations on November 21, 1963, and subscribed to by Canada?

Mr. Haidasz: See answer to 274.

*LEGISLATION AGAINST RACIAL DISCRIMINATION

Question No. 273—**Mr. Klein:**

Has the government given consideration to the enactment of legislation to provide that all incitement to or acts of violence, whether by individuals or organizations, against any race or group of persons of another colour or ethnic origin shall be considered an offence against society and punishable under law as provided for in the resolution adopted by the general assembly of the United Nations on November 21, 1963, and subscribed to by Canada?

Mr. Haidasz: See answer to 274.

*LEGISLATION TO IMPLEMENT U.N. RESOLUTION ON RACIAL DISCRIMINATION

Question No. 274—**Mr. Klein:**

Has the government given consideration to the enactment of legislation to provide that "in order to put into effect the purposes and principles of the present declaration, all states shall take immediate and positive measures, including legislative and other measures, to prosecute and/or outlaw organizations which promote or incite to racial discrimination, or incite to or use violence for purposes of discrimination based on race, colour or ethnic origin" as provided for in the resolution adopted by the general assembly of the United Nations on November 21, 1963, and subscribed to by Canada?

Mr. Haidasz: The declaration on the elimination of racial discrimination, to which the question refers, was adopted unanimously by the United Nations general assembly last December. While a declaration does not impose any formal obligation on a country which votes for it, it does provide a standard of conduct for members of the United Nations and suggests guide lines for legislation. Most member governments will probably not take at this time any legislative action as a result of the declaration, since the human rights commission, on the instructions of the United Nations general assembly, is engaged in drafting a convention on the elimination of racial discrimination which will be the definitive document. If subscribed to by member states, the convention will require to be implemented and governments will have to consider whether legislation is necessary to carry out the articles of the convention.

Quite apart from these developments at the United Nations, a problem has arisen in Canada resulting from recent outbreaks of racial propaganda. Hon. members will recall the remarks on this subject made by the Minister of Justice to this house on March 10. Later, outside the house, the minister indicated that he favoured the principle of an amendment to forbid racial propaganda and that the real problem is to find a formula which meets the evil upon which all decent men agree without, at the same time, interfering with a proper freedom of speech. He indicated that the matter was being pursued energetically and that appropriate measures would be taken as early as possible when an acceptable formula had been found.

This answer also applies to starred questions 273 and 274.

*FEDERAL-PROVINCIAL FISHERIES COMMITTEE

Question No. 284—**Mr. Howard:**

Have any federal-provincial fisheries committees been established with any or all of the provinces of Manitoba, Saskatchewan, Alberta, and British Columbia and, if so (a) what was the date upon which each was established (b) what are the names and addresses of the members of each such committee, and (c) what are its duties, functions and authorities?

Mr. Robichaud: Mr. Speaker, as the answer to question No. 284 is lengthy, if the hon. member is agreeable may I ask unanimous consent to have it printed in *Hansard*?

Mr. Howard: I am quite agreeable.

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

Yes. (see below)

Fraser river board: (a) April 1, 1959 (first board known as Fraser river basin board was appointed in 1948); (b) membership.

For Canada: Director, water resources branch (T. M. Patterson) Department of Northern Affairs and National Resources, Ottawa. Director, Pacific area (W. R. Hourston), Department of Fisheries, Vancouver.

For British Columbia: Comptroller of water rights, chairman (A. F. Paget), water rights branch, department of lands, forests and water resources. Director of surveys and mapping (G. S. Andrews), department of lands, forests and water resources.

(Note: Membership is on basis of incumbents of positions. Present membership shown in brackets).

(c) The board shall plan, supervise and carry out such surveys and investigations as may be needed to prepare a comprehensive report dealing with engineering and economic feasibility of a partial hydroelectric power development of the Fraser river that would

provide flood control. The board shall prepare broad estimates of the effects on public and private interests by reason of any developments. The board's report has been completed.

Federal-provincial committee on price and wage disputes in British Columbia fishing industry:

(a) October 18, 1963.

(b) Federal representatives: W. R. Hourston, area director of fisheries, Vancouver, British Columbia; J. J. Quinlan, deputy director of investigation and research (Combines Investigation Act), Department of Justice, Ottawa; G. R. Currie, industrial relations officer, Department of Labour, Vancouver, British Columbia.

Provincial representatives: A. W. R. Carrothers, professor of law, University of British Columbia, Vancouver, British Columbia; Dr. D. B. Turner, deputy minister of recreation and conservation, Victoria, British Columbia; C. R. Margison, assistant deputy minister of labour, Victoria, British Columbia.

(c) To exercise in detail the problems concerned with price and wage disputes in the British Columbia fishing industry and to submit to both governments recommendations of action necessary to minimize interruptions of fishing operations in the future.

FEED GRAIN IN ST. LAWRENCE RIVER AREA

Question No. 342—**Mr. Peters:**

1. Are the supplies of eastern feed grain, held in the St. Lawrence river area, sufficient to meet the current projected requirements of eastern users for the 1963-64 requirements?
2. What is the estimate of the number of bushels of feed grain that will be transported by rail from the elevators at the lakehead in the 1963-64 season?
3. What is the estimated cost, per bushel, to be paid for transportation, and how much, per bushel, will be covered by freight subsidy?

Answer: 1. Total supplies of feed grains in the east are sufficient to meet estimated requirements until the opening of navigation.

2. Board of grain commissioners statistics do not show feed grain loadings for the domestic market but do show total shipments by rail ex lakehead of 964,000 bushels of wheat, oats, and barley combined in the period October 15, 1963 and February 15, 1964.

3. Based on most economical means of transport, the estimated average weighted cost of transportation on western feed grains from lakehead to local feed mills in the east is 17 cents per bushel and the freight subsidy represents, on the average, an estimated 18 cents per bushel.

Other costs related to the movement, but not transportation per se, such as insurance and elevation, have not been included and the above relationship varies month to month depending upon lake freight transport rates.

EASTERN FEED GRAIN STORAGE

Question No. 343—**Mr. Peters:**

1. Since the implementation of the payment to elevators for stored feed grain in eastern Canada, what has been the cost for December, 1963, and January and February of this year?
2. How many bushels were stored in eastern elevators, and at what total storage cost per bushel?
3. Is the Department of Agriculture satisfied with the results of this program?
4. What are the results, in cost per bushel of feed grain, in saving to the farmer as a result of this program?

Answer: 1. Claims for storage assistance are not complete for any of the periods in question but the following amounts were paid in the months listed:

December	$ 27,938.93
January	79,111.66
February	107,309.33
Total	$214,359.92

2. The maximum number of bushels of western feed grains in store eastern licensed elevators at any one time in the period October 15 to February 29 was 30.8 million. The cost per bushel is 1/30 cent per day.

3. This government program was designed to stimulate the movement of sufficient feed grains to the east by the cheapest means of transportation, namely, lake freight. Sufficient stocks for feeding, and 45 per cent more than a year earlier, were in store at the close of navigation and therefore the results were satisfactory.

4. On grain in store on October 15, 1963 and taken out by farmers throughout the fall and winter the following savings per ton could accrue to the farmer:

	When taken out on					
	Nov. 1	Dec. 1	Jan. 1	Feb. 1	Mar. 2	Apr. 15
Wheat	.17	.50	.83	$1.17	$1.50	$2.00
Oats	.30	.89	1.48	2.07	2.66	3.54
Barley	.21	.63	1.05	1.47	1.89	2.52

Additional savings could accrue to users as a result of the more satisfactory supply-demand picture.

FEED GRAIN PRICES IN EAST

Question No. 344—**Mr. Peters:**

1. What has caused the increase in price of feed grains to farmers in eastern Canada?
2. Is this considered by the government to be a reasonable seasonal mark-up?
3. Does it indicate a failure in the storage support program?

Answer: 1. The local supply and demand situation for feed grains including home-produced grains can cause certain price fluctuations but information available discloses no upward revision since December in the retail price of mixed feeds. Retail mixed feed prices are in general closely tied to feed grain prices.

2 and 3. Answered by 1.

*SURVEYS, MATANE-STE ANNE DES MONTS RAILWAY

Question No. 355—**Mr. Pigeon:**

1. What was the cost of the plans and the specifications which were prepared for the Matane-Ste Anne des Monts railway?
2. What amounts were paid to Matane and Gaspe surveyors for the survey horizontal control of air photography?
3. Who was awarded the contract for the survey vertical control and what was the cost of that work?
4. What air company compiled the maps from air photography and what was the amount paid for that work?

[*Translation*]

Mr. Cantin: 1. The total cost of the survey and the preparation of plans was $43,256.63, of which amount $24,728.23 was paid to Canadian National Railways for work done by the company, which also acted as the government's agent in organizing the survey as a whole.

2. Mr. Severin Pelletier, Matane, $5,100. Mr. Gilbert Sasseville, Ste Anne des Monts, $3,000.

3. No contract was awarded for the survey vertical control as the work was carried out by Canadian National forces.

4. The air photography was carried out by Photographic Surveys (Quebec) Ltd., Montreal, at a cost of $10,428.40.

[*Text*]

R.C.A.F. HOUSING UNITS, SUMMERSIDE, P.E.I.

Question No. 404—**Mr. Douglas:**

1. Were the 100 housing units which are located at Summerside, P.E.I., and occupied by R.C.A.F. personnel, built under the provision of the National Housing Act?
2. What were the names of the contractors involved?
3. What contribution, if any, was made by the federal government or any of its agencies?
4. Were there guarantees and, if so, what were they?
5. Are the R.C.A.F. personnel compelled to live in these housing units?
6. What are the R.C.A.F. personnel required to pay for occupancy of the premises (a) rent (b) taxes (c) electricity and fuel (d) any other expenses?

Answer: 1. Yes.

2. Hillcrest Housing Limited.

[Mr. Peters.]

3. The federal government through the Central Mortgage and Housing Corporation advanced 85 per cent of the total cost of construction, a sum of $870,015 to Hillcrest Housing Limited. This money was to be amortized over a 40 year period at 4⅛ per cent.

4. No occupancy guarantees were provided.

5. If there are any vacancies in the bulk lease homes married service personnel may be ordered into this accommodation.

6. (a) The rental rates are as follows: up to and including the rank of Cpl $80; Sgt, WO2 $85; WO1, Pilot Officer $90; F/O, F/L $105.

(b) Municipal taxes are the responsibility of the developer who owns the land and the houses.

(c) Personnel who occupy these houses are required to pay, directly to the supplier, for electricity, fuel and water. In return, such personnel get a utility allowance of $20 per month to cover a portion of this expense.

(d) It is understood that special taxes peculiar to the town of Summerside, i.e. poll tax, personal property tax, vehicle tax, are imposed on the individual tenant and may be as high as $6 per month. It should be added, however, that the present town administration have indicated that their tax structure is in the process of being revised, and this may provide some relief in so far as tenants are concerned. Tenants are also personally liable for any damages to their married quarters.

*POST OFFICE SITES, PARRY SOUND-MUSKOKA CONSTITUENCY

Question No. 431—**Mr. Aiken:**

1. From whom, and at what price, were sites acquired for construction of the following public buildings in Parry Sound-Muskoka constituency (a) Britt (b) Rosseau (c) Kearney?
2. Are any of the parties named in part 1, consultants of the Minister of Public Works or Postmaster General in that constituency?

Mr. McWilliam: 1. (a) Britt—A site consisting of two parcels of land is being acquired from Mr. G. M. Taylor for $3,200 and the province of Ontario for $50. (b) Rosseau—From Mr. G. E. Foote for $1,850. (c) Kearney—From Miss Doris Gilbert for $1,500.

2. No.

*DIRECTOR OF METEOROLOGICAL BRANCH, TRANSPORT DEPARTMENT

Question No. 452—**Mr. Coates:**

1. Did the civil service commission alter the qualifications for the position of director of the meteorological branch of the Department of Transport after the applications for the position had been received and, if so, on what authority?
2. Is the present director of the meteorological branch of the Department of Transport a member of the Royal Meteorological Society, American

meteorological society, Canadian association of physicists, Arctic circle, Oxford society, or Arctic institute North America, and if a member of all or any, what position or positions has he held in these societies?

Mr. Pickersgill: 1. The civil service commission did not alter the qualifications required for this position.

One of the allegations made at the appeal board hearing was that there had been a change in emphasis from scientific to administrative ability as between the statement contained in the department's letter to prospective candidates and the criteria used later by the departmental rating board in assessing the candidates.

The appeal board concluded that the criteria used were sound and related to the duties of the position and recommended that the appeal be dismissed.

The civil service commission, satisfied that there was nothing irregular in the procedures followed by the department, nor indeed anything amounting to an alteration of the requirements, and satisfied also that the successful candidate's qualifications for the position were superior to those of the other applicants, approved the recommendation of both the appeal board and the rating board.

2. Yes, a fellow of the royal meteorological society. The Department of Transport has no record of the position held in the society.

WINTER WORKS GRANTS, ST. FELICIEN, QUE.

Question No. 481—**Mr. Gauthier:**

What winter works grants have been received from the federal government by the town of St. Felicien and the parish of St. Felicien for works carried out in 1962-63?

Mr. MacEachen: Under the municipal winter works incentive program 1962-63, federal payments in respect to the town of St. Felicien amounted to $120,140.96, and $16,463.42 was paid to the parish of St. Felicien.

LIMOUSINE SERVICE, TORONTO AIRPORT

Question No. 486—**Mr. Addison:**

1. What is the name of the company that operates the Department of Transport authorized limousine service from the Toronto international airport?
2. When was this contract awarded, for how long and for what amount?
3. What was the name and amount of each tender submitted?
4. Over the terms of the contract is there any ceiling on the amount the successful bidder may charge for taxi service?

Mr. Pickersgill: 1. Air Terminal Transport Limited of Toronto.

2 and 3. The agreement with Air Terminal Transport Limited, who had been providing this service previously was, in accordance with air line wishes, renegotiated on August 1, 1960, for a period of ten years; the concession fee payable by the company, effective from August 1, 1960, is as follows: During the first five years, the concession fee will be 3.75 per cent of gross revenue, and during the second five years of the agreement the percentage is to be increased by ¼ of 1 per cent each year of the second five years, so that by the tenth year of the agreement the rental will have reached 5 per cent of gross revenue.

4. The tariff charged by Air Terminal Transport Limited is subject to approval by the Ontario transportation board and the company files a schedule approved by the said board with the department.

POST OFFICE TENDER, LION'S HEAD, ONT.

Question No. 499—**Mr. Loney:**

1. Were tenders called for the construction of a post office, S.P. 8, Lion's Head, Bruce county, Ontario in December 1963 and, if so, what were the names and addresses of the tenderers?
2. What were the amounts of the quotations submitted in each tender?
3. Was the lowest tender accepted, and, if not, for what reason?

Mr. Deschatelets: 1. Yes. T. M. Forbes, Wiarton, Ontario, was the only tenderer.

2. $39,525.60.

3. No, the quotation received was considered excessive. Tenders were called a second time with a closing date of March 18, 1964 and the only quotation received was from Beachall Construction Co. Ltd., Scarborough, Ontario at $23,576. This tender is under consideration.

*HIGH ENERGY NUCLEAR PHYSICS LABORATORY CENTRE

Question No. 502—**Mr. Orlikow:**

Is the government now giving consideration to the proposal of the Canadian association of physicists made in 1956 and 1957, that Canada construct a high energy nuclear physics laboratory centre on a high energy particle accelerator in Canada and, if not, what were the reasons for refusing this proposal of the Canadian association of physicists?

Mr. Drury: So far as the national research council is concerned there is no plan at present to implement the proposal of the Canadian association of physicists to construct and operate a high energy laboratory in Canada. Although the desirability of giving maximum possible support to physics is recognized, obligations to support other branches of science must also be taken into account. With the rapid expansion of universities and a plan for corresponding rapid expansion in our program for scholarships and grants in aid of research in the next few years, it is not considered possible at the present time to embark on a project of such magnitude as a high energy laboratory which would involve an estimated construction cost of $25 million with estimated operating

costs thereafter of $3.5 to $4 million per year. General support of physics in various fields in universities across the country including support for several medium energy laboratories is considered to be the most desirable way to spend whatever money is available for the next few years.

*ENCOURAGEMENT TO JAPANESE TOURISTS

Question No. 514—**Mr. Basford:**

1. Has the Canadian government travel bureau taken cognizance of the fact that on April 1, with Japan becoming a full member of the international monetary fund, individual Japanese citizens will be allowed to spend $500 each on pleasure travel over and above transportation costs?

2. What, in general terms, is the travel bureau doing to take advantage of this situation to encourage Japanese tourists to visit Canada and British Columbia?

3. Specifically to encourage Japanese tourists to visit Canada and British Columbia, is the Canadian government travel bureau (a) preparing and seeing to the distribution in Japan of tourist promotion pamphlets, brochures and material in the English or Japanese language and, if not, has such action been considered (b) endeavouring to send delegations to Japan of Canadian west coast travel, hotel, tourist, and municipal representatives to encourage Japanese-Canadian tourism (c) making or contributing to any effort to send to Japan a tourist promotion team to counteract the tourist promotion efforts of the ten Eskimos and Miss Alaska that the state of Alaska is sending to Japan, or the hula dancers that the state of Hawaii is sending to Japan (d) holding discussions and, if so, the nature thereof with any tourist officers of the province of British Columbia leading to the initiation of a co-ordinated Japanese tourist promotion program and, if not, will any such discussions be initiated by the tourist bureau (e) holding discussions and, if so, the nature thereof with any officers of the greater Vancouver visitors and convention bureau leading to the initiation of a co-ordinated Japanese tourist promotion program and, if not, will any such discussions be initiated by the tourist bureau (f) having (or had) any discussions with any officials of C.P.A., T.C.A., or other Canadian carriers to determine what efforts these carriers are making to encourage Japanese tourists to visit Canada, and in what way the travel bureau can assist and augment these efforts (g) having any officials in any government of Canada diplomatic, trade or commercial office in Japan acquire any special or expert knowledge of the tourist attractions and facilities of the west coast of Canada and, if so, what are these officials names and positions and how have they acquired such expert or special knowledge (h) having any of the full-time employees of the Ottawa office of the travel bureau acquire any special or expert knowledge of the special considerations applicable to Japanese-Canadian tourism and, if so, how many, and what is the nature of their special or expert knowledge (i) having or had anything done to assure that the employees of the San Francisco office of the travel bureau are in a position to encourage Japanese tourists intending to visit the west coast of the U.S.A. to also visit Canada and, if so, how will they so encourage them?

Mr. Pepin: Mr. Speaker, this very interesting question has to do with travel promotion in Japan. It is one page long. The answer covers five pages. Could I have the agreement of the house to table it?

Mr. Speaker: Does the house give consent to tabling the answer?

Some hon. Members: Agreed.

Mr. Speaker: May I ask the parliamentary secretary whether this is to be tabled or printed in *Hansard*?

Mr. Pepin: To be printed in *Hansard*.

Mr. Speaker: Does the house give consent?

Some hon. Members: Agreed.

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

1. Yes, consideration is being given to attracting more Japanese visitors to Canada.

2. The Canadian government travel bureau (a) recently rejoined the Pacific area travel association, in which 29 Pacific area countries are represented, to keep in closer touch with travel promotion needs and developments in the Pacific travel market, of which Japan is now expected to become a more important part; (b) the assistant director of the bureau, Mr. Dan Wallace, with the co-operation and guidance of Canadian Pacific Airlines, attended the P.A.T.A. annual conference in Sydney, Australia, March 2-6, and surveyed the travel potential for Canada of Hawaii, New Zealand, Australia, Hong Kong and Japan. During his four days in Japan, Mr. Wallace met with Canadian diplomatic and trade representatives, representatives of Canadian carriers, leading Japanese government travel promotion officers and travel agents, and the director of the United States travel service; (c) the bureau plans to recruit a travel promotion officer for Japan this year; (d) the bureau has recommended to the Department of Trade and Commerce that an official travel trade mission be sent this year to visit the Pacific countries, including Japan. This mission would be broadly representative of the Canadian travel industry, including members from British Columbia and other parts of Canada interested in developing more tourist traffic from the Pacific countries, including Japan, and obtaining publicity in these countries for Canada's travel attractions.

3. (a) The circulation in Japan of Canadian English language travel literature and posters is being increased, and this literature will later be made available in Japanese.

(b) See answer 2(d) above. The travel trade mission would include representatives of the travel industry from the west coast.

(c) See answer 2(d) above. Last year, the bureau co-operated with Canadian Pacific Airlines in obtaining permission for two members of the R.C.M. Police to visit Japan to

assist in getting publicity for a C.P.A. inaugural flight. The bureau is now planning to work with C.P.A. in assisting a Japanese television team this summer in filming 13 one half hour programs on Canada.

(d) As the bureau develops its travel promotion program for Japan and the Pacific, it will initiate discussions on this development with the government travel bureaus of British Columbia and the other provinces and territories.

(e) The bureau's promotion program for Japan and the Pacific will also be discussed with the officers of municipal visitor and convention bureaus in Vancouver and other Canadian cities with a view to effecting closer co-ordination of efforts to attract more visitors from Japan.

(f) A number of discussions have already been held with officers of C.P.A., T.C.A. and other Canadian carriers with regard to their promotion plans to increase the number of Japanese visitors to Canada, and how the bureau could assist by the provision of literature, posters, displays and films, and by developing direct travel promotion in Japan through the appointment of an officer to be located in Tokyo who would actively contact travel agents and publicity media, and work closely with representatives of the carriers in Japan that are interested in developing travel to Canada.

(g) There is no organized program to ensure that Canadian government officials in Japan acquire special knowledge of the tourist attractions and facilities of Canada's west coast, but in their training programs and home visits, these officers do have an opportunity of acquainting themselves in a general way with the tourist attractions of all parts of Canada. Any officer appointed to represent the bureau in Japan will be thoroughly conversant with west coast tourist facilities and attractions.

(h) On several occasions since 1952, officers of the travel bureau have attended P.A.T.A. conferences to keep in touch with travel developments in Pacific area countries. While Japan's currency restrictions were in effect, the flow of visitors from Japan to North America was limited. As indicated in 2(b) above, the assistant director of the travel bureau spent four days in March in Japan studying this country's potential for travel to Canada, the special conditions attaching to such travel, and the efforts being made by other countries, including the United States, to develop this business.

(i) The manager of the San Francisco office of the travel bureau keeps in close touch with the P.A.T.A. organization, which has its headquarters there. The staff of this office, and of the bureau's offices in Chicago and New York—all of which are centrally located and accessible to Japanese visitors to these cities—is well briefed on the tourist facilities and attractions of the west coast and therefore able to assist Japanese visitors with their plans for travel to Canada.

PRIVATE AIRCRAFT LANDING FEES

Question No. 523—**Mr. Mather:**

Is consideration being given to removing private aircraft landing fees and instead levying a three cent tax on gasoline?

Mr. Pickersgill: The matter of charges to be levied on private aircraft for use of facilities provided by the taxpayer is under continuing study but this particular proposal is not under immediate consideration.

C.N.R. REPORTS UNDER P.C. 1962-481 AND P.C. 1962-656

Question No. 524—**Mr. Cyr:**

On what date did the Minister of Transport receive reports from the C.N.R. pursuant to orders in council P.C. 1962-481 and P.C. 1962-656?

[*Translation*]

Mr. Cantin: On December 27, 1962, the chairman and president of the Canadian National Railways submitted to the Minister of Transport the report of the C.N.R. on the survey of a railway line from Matane to Ste Anne des Monts, and an estimate of the cost of such a railway line.

[*Text*]

EXPENDITURES ON TRANS-CANADA HIGHWAY, LOTBINIERE COUNTY, QUE.

Question No. 528—**Mr. Caouette:**

1. What amount of money was promised or granted under the federal-provincial agreement on the construction of the trans-Canada highway (highway No. 9) relating to that part of the highway which goes through the federal constituency of Lotbiniere?

2. What is or will be the average amount paid per acre of land to the farm owners along the trans-Canada highway or on its access roads?

3. What criteria are used by the purchasing agents to establish a fair compensation for farmers who must cover distances of up to five miles in order to reach parts of their farms located on the other side of the trans-Canada highway?

[*Translation*]

Mr. Deschatelets: 1. Canada pays half the construction costs of the two-lane highway under the agreement on construction of the trans-Canada highway. The estimated amount of Canada's share of the cost of work approved in the riding of Lotbiniere amounts to $5,076,000 to date.

2. Canada does not contribute to the cost of the land purchased by the province for rights of way or other purposes. Payments to land owners come under the province and the federal government has no information about

the amounts paid by the province for such lands or the standards on which those amounts are based.

3. See answer to question no. 2.

[*Text*]

*SENIOR OFFICERS, DEPARTMENT OF INDUSTRY

Question No. 535—**Mr. Pigeon:**

1. Since February 3, 1964, how many deputy ministers and assistant deputy ministers have been appointed to the Department of Industry and what is the name, address, and salary of each?
2. Among those appointed, are there any French Canadians and, if not, for what reason?

[*Translation*]

Mr. Drury: The answer to both parts of this question is no.

[*Text*]

CHIBOUGAMAU-LAC ALBANEL ROAD, QUE.

Question No. 545—**Mr. Laprise:**

1. With reference to the joint federal-provincial roads to resources program, when was construction started on the Chibougamau-Lac Albanel road?
2. What is the estimated completion date?
3. How many men are now working on that project?
4. How many motor vehicles belonging to Canadians are being used in the construction of the road?
5. How many motor vehicles belonging to Americans are being used at the present time?

[*Translation*]

Mr. Laing: 1. The contract was awarded in December 1962.

2. Late in the fall of 1966.

3, 4 and 5. Since agreements concerning the roads to resources programs provide that building works come under provincial jurisdiction, only the province can answer parts 3, 4 and 5 of this question.

[*Text*]

CONTRACT FOR WHARF REPAIRS, ARICHAT, N.S.

Question No. 547—**Mr. Muir (Cape Breton North and Victoria):**

With regard to question 363, when is a contract going to be awarded by the Department of Public Works to G. J. Forgeron of West Arichat, Richmond county, Nova Scotia, who is the low tenderer on repairs to the wharf at Arichat?

Mr. Deschatelets: The contract for wharf repairs at Arichat, N.S. was awarded to G. J. Forgeron, West Arichat on March 24, 1964.

RESTORATION OF H.D.-4 HYDROFOIL

Question No. 549—**Mr. Muir (Cape Breton North and Victoria):**

With reference to the answer to question No. 958, under date of July 22, 1963, on what date will the department concerned begin structural restoration work on the H.D.-4 in 1964?

Mr. Laing: The answer to question No. 958 (*Hansard* of July 22, 1963, p. 2449) indicated that a consulting naval architect was completing reports, drawings and cost estimates needed for the restoration of the H.D.-4. His report includes the disappointing news that restoration is not feasible and recommends reconstruction instead. Because some of the technical data is still missing and some of the components necessary for a historically accurate reproduction will be difficult to locate or reproduce, it is not yet possible to give a firm date on which reconstruction work can begin.

LENGTHENING OF WHARF, LIVERPOOL, N.S.

Question No. 552—**Mr. Crouse:**

1. Is it the intention of the government to lengthen the federal public wharf in Liverpool, Queens county, Nova Scotia?
2. How many feet will be added to this wharf and when will the work be undertaken?
3. What is the approximate amount of money to be allocated for this project?

Mr. Deschatelets: 1. No decision has been reached in this matter. The department has the requirements of the fishing fleet at Liverpool under review.

2 and 3. The extent, scheduling and cost of increased public wharfage will be dependant on the requirements determined in 1 above.

METEOROLOGICAL BRANCH, TRANSPORT DEPARTMENT—MEMBERSHIP IN WORLD ORGANIZATION

Question No. 556—**Mr. Coates:**

1. Is the present director of meteorology, Department of Transport, a member of the world meteorological organization?
2. Are any of the staff of the meteorological branch of the Department of Transport members of the world meteorological organization?

Mr. Pickersgill: 1 and 2. Membership in the world meteorological organization is limited to states who have ratified or acceded to the world meteorological organization convention There is no such thing as personal membership.

OWNERSHIP OF MAIN DUCK ISLANDS, LAKE ONTARIO

Question No. 558—**Mr. Alkenbrack:**

1. Who are the owners of the Canadian group of islands known as the Main Duck islands in lake Ontario?
2. During their period of occupancy by the late John Foster Dulles, were the islands leased or owned by Mr. Dulles?
3. Under their present status, what is the government doing to ensure the protection of the

herd of deer on the islands and the large flocks of migratory birds that rest there in season?

4. Does the federal government own any land used in connection with the functioning of Department of Transport safety devices and navigational signals, lighthouses, etc., used on the islands?

5. By whom was the dock built that serves the island on which the lighthouse is situated?

6. By whom is the above dock maintained?

Mr. Lamontagne: 1. The Dulles estate.

2. Owned by Mr. Dulles.

3. These islands are a part of the province of Ontario, and come, therefore, under the relevant provincial legislation relating to the hunting of deer, and under the Migratory Birds Convention Act and regulations relating to the hunting of migratory birds. The area is patrolled by provincial game officers (who are ex officio officers under the Migratory Birds Convention Act) and by the R.C.M. Police.

4. Yes.

5. Department of Transport.

6. Department of Transport.

RECOGNITION OF ACTS OF BRAVERY OR HEROISM

Question No. 569—**Mr. Basford:**

1. What non-military medals, honours or titles is the government of Canada able to bestow or cause to be bestowed upon Canadian citizens in recognition of acts of bravery or heroism, or for outstanding contributions to the national life or development of Canada?

2. For the year 1963, on whom were any such medals, honours or titles bestowed?

Mr. Lamontagne: 1. (a) All civil gallantry decorations and medals from the Queen, in recognition of acts of bravery performed at the risk of death or serious personal injury, are available to Canadian civilians on the recommendation of the government of Canada; (b) none.

2. On the recommendation of the government of Canada, the Canadian civilians listed hereunder received decorations and medals in recognition of acts of bravery during 1963: Herbert Joslin (deceased), Charles Garnet Robson, Ronald Leslie Tarr, Henry Leblanc, John Vatour, Douglas S. S. Ellis, Lyle Allen Roger Olsen, Isaac Peters, Barbara Ann Pilsinger.

EXPROPRIATION OF POST OFFICE SITES, NOVA SCOTIA

Question No. 570—**Mr. Coates:**

Were notices of expropriation filed at the registry office, Amherst, N.S., with regard to the acquisition of sites for the post offices at Westchester and Joggins and, if so, on what dates were these notices filed?

Mr. Deschatelets: Notice of expropriation with respect to Westchester, N.S., was filed and registered on February 12, 1964.

Notice of expropriation with respect to Joggins, N.S., was filed and registered on February 13, 1964.

WORLD FAIR EMBLEM DESIGNED BY PHILIPPE E. MALTAIS

Question No. 578—**Mr. Belanger:**

Did the 1967 world exhibition corporation give any consideration to the design for an emblematic shield representing the theme "Man's World" submitted by the artist Philippe E. Maltais of La Malbaie and, if so, why was it not adopted in lieu of the one rejected by this house?

[*Translation*]

Answer: The 1967 World Exhibition Corporation did consider the emblematic shield design submitted by Mr. Philippe E. Maltais of La Malbaie. However, on March 13, 1964, the board of directors confirmed its previous decision, dated August 12, 1963, by which the design submitted by Mr. Julien Hebert was selected as official theme of the exhibition.

[*Text*]

CHANGING OF THE GUARD, PARLIAMENT HILL

Question No. 586—**Mr. McBain:**

1. Will the changing of the guard ceremony be conducted on parliament hill this summer and, if so, on what dates will it commence and conclude?

2. What regiment will be in charge and who will be the commanding officer?

3. Has such commanding officer been advised that he will be in charge of the ceremonies and, if not, why has he not been advised?

Answer: 1. Yes. From June 28 to September 8, 1964 inclusive.

2. Second battalion, Canadian Guards, with Lt. Col. O. K. H. Kierans as commanding officer.

3. Yes.

MOTOR VEHICLE PURCHASES, DEFENCE DEPARTMENT

Question No. 589—**Mr. MacLean (Queens):**

From May 1, 1963 to March 1, 1964 how many motor vehicles have been purchased by the Department of National Defence (a) manufactured or assembled in Nova Scotia (b) manufactured or assembled in Ontario (c) imported from the United States (d) imported from other countries?

Answer: (a) None; (b) 2,454; (c) 20 (special military pattern vehicles); (d) nil.

Note: In addition, 30 vehicles were purchased to be manufactured in Quebec and 4 in Manitoba. A further 86 vehicles were purchased for manufacture in other countries for delivery overseas (not imported into Canada).

MOTOR VEHICLE PURCHASES, FISHERIES DEPARTMENT

Question No. 590—**Mr. MacLean (Queens):**

From May 1, 1963 to March 1, 1964 how many motor vehicles have been purchased by the Department of Fisheries (a) manufactured or assembled

in Nova Scotia (b) manufactured or assembled in Ontario (c) imported from the United States (d) imported from other countries?

Answer: (a) Nil; (b) 45; (c) nil; (d) nil.

SITE FOR WOMEN'S PRISON, CORNWALL, ONT.

Question No. 600—**Mr. Knowles:**

Has the property on which the new women's prison at or near Cornwall is to be built yet been purchased and, if so, from whom, and at what price?

Mr. Deschatelets: No property has been purchased at or near Cornwall as the site of a new women's prison.

*BEEF, VEAL AND PORK CONSUMPTION

Question No. 604—**Mr. Vincent:**

What was the per capita consumption for each year 1956 to 1963 inclusive, of (a) beef cattle (b) calves (c) swine?

[*Translation*]

Mr. Pepin:

Per capita consumption in pounds of refrigerated carcass meat, canned products not included

Year	(a) Beef	(b) Veal	(c) Pork
1956	71.4	8.5	49.2
1957	72.0	8.9	44.4
1958	68.0	7.3	49.4
1959	65.6	6.9	56.7
1960	70.0	6.9	52.6
1961	69.7	6.8	49.9
1962	69.3	6.5	49.8
1963	73.8	6.6	50.7

[*Text*]

LABOUR RELATIONS

GREAT LAKES—APPOINTMENT OF PRESIDENT OF SEAMEN'S UNION

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I would like to ask the Minister of Labour whether Leonard McLaughlin has been placed in control of the S.I.U. administration by the board of trustees?

Hon. A. J. MacEachen (Minister of Labour): The answer is no, Mr. Speaker.

Mr. Diefenbaker: What position does he occupy today with the S.I.U.?

Mr. MacEachen: My understanding, subject to checking it, is that Mr. McLaughlin is executive vice president of the seafarers' international union.

Mr. Diefenbaker: And has there been no appointment made of Mr. McLaughlin at all, as reported in the press?

Mr. MacEachen: No, Mr. Speaker, there has been no appointment of Mr. McLaughlin, according to my information from the trustees. Maybe my right hon. friend would permit me to make an observation or two with respect to the agreement or understanding reached between the trustees on the one hand and the president of the seafarers' international union of North America, Mr. Hall, on Friday last.

A public statement was issued enumerating seven points on which an understanding had been reached, one of which, to summarize it, was that immediately steps would be taken to restore the S.I.U. of Canada to the constitutional control of its members. Constitutional provision for succession to the presidency of the seafarers' international union of Canada will be implemented as a first step in restoring their control.

As I understand the situation—and this may assist the Leader of the Opposition—there will be no immediate change in the present leadership of the S.I.U. of Canada until the shipping season is further advanced. This period of time will provide an opportunity to ensure that the arrangements have been fully honoured before any change is made. When the change takes place, Mr. McLaughlin will not be appointed as president by the trustees but, rather, they will allow the provision of the constitution with respect to the succession of leadership to be put into effect. Mr. Turner, I understand, will remain as representative of the trustees who will continue to supervise the over-all administration of the union.

I might conclude by saying that the arrangement as outlined in the joint statement on Friday contemplates a cessation of harassment of all shipping in United States ports, and surely if that does come about, combined with the continued supervision by the trustees over the S.I.U., a major step forward will have been taken in resolving this problem.

Mr. Diefenbaker: Under the arrangements made between Mr. Hall and the trustees, is it not a fact that in accordance with the succession, McLaughlin will be placed in the position previously occupied by Banks?

Mr. MacEachen: I am sorry, but I did not follow the question put by the Leader of the Opposition. If he would repeat it I would be glad to answer it.

Mr. Diefenbaker: The question is simply this: Was there any arrangement made between Hall and the trustees that McLaughlin should, in the ordinary course of events, follow in the succession and hold the position held by Banks at the time he was removed from office?

Mr. MacEachen: I should make it clear that the information I am giving to the

house is information received from the trustees regarding a decision taken by them in their role as quasi administrators of this union. The situation as put forward by the Leader of the Opposition is correct, except, as I have stated, that the trustees will not take any action on their own account to appoint Mr. McLaughlin as president, and this change which is contemplated with the removal of Mr. Turner is not to take place until a period of time has elapsed to make it possible to observe whether the arrangements entered into between the trustees and Mr. Hall are fully honoured.

Mr. Diefenbaker: I should like permission to ask one further question. I am just wondering if McLaughlin has gone through some political dry cleaning, because if one reads the Norris report it says at pages 169 and 170 that he is a clever, resourceful and entirely untruthful witness—that he is devious and adept in carrying out the one-man policies of Banks, and that his subservience to and support of Banks in all circumstances was demonstrated from an early age.

Would the minister not think that this is the last person in the world—

Mr. Pearson: You hate to see it settled.

Mr. Diefenbaker: What did the Prime Minister say?

Mr. Pearson: Apparently you do not want it settled.

Mr. Diefenbaker: If we are to get a settlement by securing the help of a hoodlum like that, I wonder whether or not the cost is too high.

Mr. MacEachen: In reply to the comment made by the Leader of the Opposition, may I say this: It is a fact that the passage he referred to appears in the report by Mr. Justice Norris. It is also a fact that the three trustees, consisting of Mr. Justice Dryer, also on the bench of the supreme court of British Columbia, Judge Lippe of Quebec and Mr. Charles Millard, a very experienced unionist of unquestioned integrity, have all been in direct charge of this situation for a period of months, now, and they have concluded, in the exercise of the authority granted them by parliament, that this is an arrangement which will assist in the resolution of these difficulties. In this instance my opinion is not at issue because the trustees are exercising independent authority given to them by parliament.

Mr. T. C. Douglas (Burnaby-Coquitlam): In view of the fact that the trustees were appointed by parliament, or set up under legislation passed by parliament, and parliament is responsible to the people of Canada for their actions, I should like to ask the Minister of Labour if he considers that taking steps which will lead to the appointment of Leonard J. McLaughlin, described by Mr. Justice Norris as "Banks' man Friday" will carry out the intent and desire of parliament, which was to free the shipping industry from the rule of thugs and to destroy the hoodlum empire which had victimized and terrorized the great lakes shipping industry for too long a period of time.

I should like to ask the minister whether he thinks that appointing Mr. McLaughlin to the post contemplated is likely to carry out that intention?

Mr. MacEachen: I must, once again, insist that the trustees are not appointing Mr. McLaughlin to the presidency of the S.I.U.

Mr. Diefenbaker: A play on words.

Mr. MacEachen: It is quite clear that they are not appointing him now. I will be the last to suggest that the situation is wholly resolved, but I do maintain it is reasonable for the House of Commons and for the people of Canada to give their support to the trustees, each of whom is a rather considerable person, as they excercise their responsibilities from day to day. They have concluded this arrangement which, if successful—and this remains to be seen, of course—will provide for the complete freedom of Canadian shipping in United States ports and will permit the trustees to continue as supervisors, I was about to say "masters" but that is not the right word, in authority over the S.I.U. of Canada, including Mr. McLaughlin, who may—and it is a question of "may"—after the passage of time, become president in accordance with the constitution of the seafarers international union of Canada.

Mr. Douglas: On a question of privilege. The minister has just made a statement which I think ought to be reconciled with the statement which was issued by the trustees and by Mr. Hall. That statement reads as follows:

> Immediate steps will be taken to restore the S.I.U. of Canada to the constitutional control of its members. Constitutional provisions for succession to the presidency of the S.I.U. of Canada will be implemented as a first step in restoring membership control.

I submit that the moment the trustees remove Mr. Turner, who is there at the present time, the office automatically goes to the first executive vice president, who is Mr. McLaughlin. That follows from the constitution. Therefore, it seems to me the minister is playing fast and loose with the house when he seeks to give the impression that the announcement made the other day

does not automatically mean the appointment of Mr. McLaughlin when control has been turned back to the membership.

I want to ask the minister a simple question. Does he think that turning control back to the members, and the appointment of the vice president to the presidency is carrying out the purpose parliament had in mind when it passed the legislation setting up the board of trustees?

Mr. MacEachen: The first point is that the government has not taken any action whatsoever.

Some hon. Members: As usual.

Mr. MacEachen: It is an action taken by the trustees under authority given them by parliament. That is the first point to be made. The second point is this—it may appear an unimportant point to the hon. member for Burnaby-Coquitlam but this is a very important matter to the membership of the seafarers' international union of Canada, that Mr. McLaughlin, if and when he becomes president, will not become president by appointment by the board of trustees, but by the operation of the constitution of the union itself.

Some hon. Members: Oh, oh.

Mr. Speaker: Order. It being five o'clock p.m., pursuant to section 3 of standing order 15 the house will now proceed to the consideration of private members' business as listed on today's order paper, namely notices of motions.

Mr. Rapp: On a point of privilege, Mr. Speaker, before you call it five o'clock, do I now understand that the house is allowed to debate every private member's bill on the order paper, according to the statement made by the Prime Minister (Mr. Pearson), and is my bill ruled out of order incorrectly?

Mr. Speaker: I really do not see any question of privilege there. It may be a complaint but there is no question of privilege under the rules which, by law, if I may put it that way, I must enforce. Therefore, it being five o'clock it is my duty to call on the hon. member for Lincoln (Mr. McNulty).

CANADA ELECTIONS ACT

VOTING PRIVILEGES FOR PATIENTS IN PUBLIC HOSPITALS

Mr. Jim McNulty (Lincoln) moved:

That the standing committee on privileges and elections be empowered to consider the advisability of amending the Canada Elections Act in order to provide:

(1) that persons confined to hospitals be allowed to exercise their franchise in federal elections;

(2) that portable polls be provided for public hospitals;

(3) that transfers be allowed up to and including election day for persons confined to hospital;

and, for such purposes, to recommend such amendments to the said act as may be deemed advisable.

[Mr. Douglas.]

He said: Mr. Speaker, I am proposing in this motion that the standing committee on privileges and elections seriously consider the fact that hundreds of thousands of Canadians in public hospitals are now being denied the right to exercise their franchise. It is my hope that the standing committee will make certain recommendations which will remedy this undemocratic situation.

I realize that this problem has been discussed in committee in a general way, along with other proposed amendments to the Canada Elections Act. I know there are those who feel that it would be very difficult to provide voting privileges to patients in public hospitals. However, Mr. Speaker, I do not feel that the acknowledged difficulties should cause us to wash our hands of the responsibility which we as parliamentarians have, the responsibility to assure to every citizen in Canada the right to cast a ballot.

In a democracy such as ours it is generally agreed that the common good is chiefly guaranteed when personal rights and duties are maintained. Our chief concern as elected representatives must be to ensure that these rights are acknowledged, respected, defended and promoted. All citizens of age have the inviolable right to vote, to state their opinions as to who shall or shall not govern in a democracy. Patients in public hospital are now denied this basic right. Members of the armed services and their dependants have the right to vote in military hospitals.

With respect, Mr. Speaker, I should just like to read section 27(1) of the Canada Elections Act, which is as follows:

(1) Every Canadian forces elector, as defined in paragraph 20, who is undergoing treatment in a service hospital or convalescent institution during the period prescribed in subparagraph (1) of paragraph 25 for the taking of the votes of Canadian forces electors at a general election shall be deemed to be a member of the unit under the command of the officer in charge of such hospital or convalescent institution, and a Canadian forces elector, as defined in paragraph 20A, whose husband is in such hospital or institution may vote at the place where her husband may vote or at the place where he could have voted before he went in such hospital or institution.

The members of the armed forces, as I say, and their dependants are allowed to vote in military hospitals. Their votes can be counted in their home constituency regardless of where the military hospital is located. Residents of homes for the aged and patients in Department of Veterans Affairs hospitals, sanatoriums and many other like institutions, are allowed to vote and have portable polls. Subsection (2) of section 27 of the act reads as follows:

(2) Whenever deemed advisable by the deputy returning officer who is authorized under these regulations to take the votes at a service hospital or convalescent institution, he shall, with the approval of the officer commanding such hospital or institution, go from room to room to take the votes of the bedridden Canadian forces electors.

In respect to other institutions, Mr. Speaker, section 45(14) of the act provides that:

(14) Whenever a polling station has been established in a sanatorium, a home for the aged, a chronic hospital, or similar institution for the care and treatment of tuberculosis or other chronic diseases, the deputy returning officer and the poll clerk shall, while the poll is open on polling day and when deemed necessary by the deputy returning officer, suspend temporarily the voting in such polling station, and shall, with the approval of the person in charge of such institution, carry the ballot box, poll book, ballot papers and other necessary election documents from room to room in such institution to take the votes of bedridden patients—

It is said, Mr. Speaker, that in many institutions portable polls are allowed under the act at the present time. One matter which has been brought to my attention is that in large urban centres people who are hospitalized may come from different constituencies and it would be difficult to record their votes. In this case perhaps we could set up a central distribution area in each province where public hospital votes could be sent and counted at the same time as the military votes, or they could be counted at some other time to be decided upon. It may be that we might have to set up special returning officers in each public hospital, just as we do in many of the institutions I mentioned previously.

I do not feel it is necessary for people to be present in the hospitals when the election writ is issued. I would hope that a transfer slip or affidavit could be issued which could be signed by the person voting in the presence of the returning officer, just as we now allow poll workers in all constituencies transfers up to and including election day. It is quite possible that we may have to set a time limit, perhaps 48 hours or so, so that the administration and recording of these transfers might be better concluded.

I do not intend to speak longer on this motion, but I should just like to ask the co-operation of all hon. members to allow this motion to go to committee. I am sure that no one in this house would want to deny his fellow citizens their democratic right to vote. I am also confident that the standing committee on privileges and elections would be able to examine all facets of this present problem and come up with a workable solution.

Mr. H. C. Harley (Halton): First of all, Mr. Speaker, I want to commend the mover of this notice of motion, and I am very pleased to second it. As he has mentioned, people who are confined in such institutions as tuberculosis sanatoria or hospitals for the chronically ill, or who reside in a senior citizen's home, have a vote in a general election. All hon. members realize that at the present moment patients in a general hospital are not able to vote on election day. I should also like to point out to hon. members that if you happen to be in hospital at the time of enumeration, and are an urban voter, unless you are actually out of hospital by the time additions to the voters' list are made, you could be left off the voters' list despite the fact that you might have left the hospital and be quite fit to vote on election day.

At the present time veterans in D.V.A. hospitals have a vote. Veterans in any hospital have a vote, even if they are in an ordinary, public, general hospital, if they are being treated under the auspices of the Department of Veterans Affairs. The only difference is as to where the vote is actually counted. If the patient is in a D.V.A. hospital that has over 25 veterans, the vote is counted at their normal place of residence, no matter what part of Canada that might be. If the patient is being treated under the auspices of the Department of Veterans Affairs in a non-veteran hospital, his vote is actually counted in the poll where the vote is cast; that is, in the poll in which the hospital is situated. As the hon. member has mentioned, a veteran can vote even if he is incapacitated; the voting box can be carried from bed to bed. I should like to point out, also, that it could happen in an ordinary, general, public hospital where the person in question was a veteran and was under treatment by the Department of Veterans Affairs, that he would have a vote and three other people in the same room, because they were non-veterans, would not have a vote. I think this is unfair. I believe that everybody in the room should have the right to vote in a general election.

As an ex-physician I should like to state that most people who are in hospital are physically fit to vote. There are very few people in hospital who are so physically ill that they are not able to cast a ballot. Just as an example I should like to point out that almost all the occupants of a maternity ward would be quite capable of getting up and going anywhere in the hospital to cast a ballot. Mr. Speaker, I should like to say a few words about how many people lose the franchise because of their hospitalization. This does not include those who lose their vote because they are in hospital at the time of enumeration. With regard to the average number of patients in hospital in any one day

in Canada, in 1961 this number was 176,000. However, we have to exclude those people in tuberculosis sanatoria or chronic illness hospitals, who do have a vote now; and we have to exclude the mental patients who, even with the changes in the act suggested by the hon. member would still not have a vote. The figures for 1961 shown in the budget review for general hospitals indicate that on any one day there are approximately 73,000 people in these hospitals. As we all realize, all these people would not have a vote; some of them would be children under the age of 21 and some would not normally have a vote because they were non-Canadian. But we are speaking here generally of between 40,000 and 50,000 people being unable to exercise their franchise because they were in hospital.

I feel very strongly about this, and I am sure all hon. members have received many complaints from people in their constituencies during election campaigns to the effect that just because they were in hospital they could not cast their ballot. The notice of motion brought forward by the hon. member for Lincoln (Mr. McNulty) would correct this situation and I hope hon. members will support this resolution.

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, I would certainly like to congratulate the hon. member who has proposed this resolution. I think in a day and age where we have seen, for example, many improvements in our advance polling facilities we realize that in many areas people who normally would have a right to vote should not be deprived of their vote. As I say, we have seen this taking place in recent years, when there have been many improvements in rural and urban areas in relation to advance polling facilities. The hon. member who has so wisely brought this subject before the House of Commons has now raised the matter of voting privileges for those confined to hospital. I think the hon. member who has just spoken has underlined the importance of the word "hospital" being given the broadest possible definition. In order to make this resolution and the study of it really meaningful, I think all hon. members will agree that the widest possible definition must be given to the word "hospital".

I am not quite sure, but I think the hon. member who has just spoken—who has had much experience in this field—made a direct reference to nursing homes. At the same time I should like to raise the subject of people who are actually sick and confined to their own homes. I think this is particularly true of sparsely settled rural areas which do not have the hospital facilities we would like them to have. Many advances have been made in recent years, but this situation is one of the facts of life. I know a great many old, and young, people who are sick and confined to their homes who are often, I think, unfairly, deprived of the right to vote. I hope this subject will be referred to the committee, as the hon. member has requested, and I hope the broader subject to which I have made reference will be included in the study. I am sure I speak for many hon. members when again I congratulate the hon. member for bringing this most important subject before the House of Commons this afternoon.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I do not propose to speak for very long on this resolution because, like the other hon. members who have spoken, I favour the resolution and think it would be very helpful if the legislation were passed. We are all anxious that everybody entitled to vote should not be prevented by illness or anything beyond their control from having the right to do so. The effect of passing this resolution will no doubt be that the appropriate legislation will be drafted and perhaps referred to the committee on privileges and elections which, when it is reconstituted, will be considering detailed amendments to the Canada Elections Act. I think it is important that we do consider the actual detailed legislation, because while it is perfectly right that everyone confined to hospital should not on that account be deprived of their franchise, it is also important that consideration should be given to the conditions under which they are called upon to vote.

There have been some instances called to my attention—not in my own constituency, I must say—where it would appear that people, older people particularly in certain institutions, are sort of lined up by attendants and others to vote. The hon. member for Halton (Mr. Harley) said that many people in hospital were physically fit to vote and were not unable to vote by reason of being physically disabled; but there may sometimes be people in hospital who are mentally quite unfit to vote and yet are induced by kindly persuasion to vote when they have no knowledge at all of what they are doing. I think this aspect of the matter should be considered when the actual legislation bringing this measure into effect is brought forward. I think we should all be brief and to the point in dealing with this particular resolution, Mr. Speaker, because it would be an excellent thing if its intent were put into effect.

Sometimes these private members' hours seem rather futile; nothing is passed and nothing much is done. I suggest it would be a good thing if we would pass this resolution,

which we all approve of in principle, and indicate to those responsible for redrafting the Canada Elections Act that all parties in the house, all members of the house, I think, desire that the arrangements to vote for people who are ill in hospital should be effectively carried out.

Mr. A. B. Patterson (Fraser Valley): Mr. Speaker, I rise to take part very briefly in the debate on the motion before the house. I think we all realize that one of the main objectives of the Canada Elections Act should be to enable the greatest possible number of electors to exercise their franchise. Unfortunately, it almost appears at times as though the effects are just the opposite. In the light of experience and observation I believe that we should seek constantly to improve our election machinery, especially with regard to problems that are beyond the control of the electors, and certainly the motion before us now is in that category.

In many instances the percentage of those who vote is lamentably small. In some nations the law requires electors to vote or face a penalty. However, the motion before us is not designed to prod the careless but rather to assist those who are willing to vote but who, because of circumstances, are unable to make their way to the polling stations. Illness is not a condition that one can regulate. It cannot be decided that illness or surgical operations shall only take place in the period between elections. In fact, in the last few years especially the period between elections has been so short that it would be ridiculous to think of any such situation.

Therefore I believe that in so far as possible our election machinery should be such that those who are stricken with illness will not be deprived of their democratic right to vote. I realize, of course, that there may be some problems and disadvantages such as have been referred to by other speakers today, especially in regard to the conducting of portable polls, but I believe that the dangers inherent in such a procedure can be minimized or completely eliminated once we decide that this is the fair and just thing to do.

One hon. member who spoke referred to the approximate number of people who are deprived of their right to vote under the present circumstances. I do not believe that the number is necessarily the criterion. I believe it is essential that we do our very best to see that every single person who can has the opportunity to exercise his or her franchise by marking the ballot and choosing those who will become their representatives in the legislative bodies of this nation. Therefore we support the motion and we trust that the house will give favourable consideration to it, to the end that it may be referred to the standing committee on privileges and elections for consideration.

Mr. Stanley Haidasz (Parkdale): Mr. Speaker, I should like to take this opportunity to congratulate the hon. member for Lincoln (Mr. McNulty) for bringing to the attention of the house this aspect of voting, which has been neglected in the past. I should like to bring to the attention of members of the house particularly the fate of people in nursing homes. I come from a constituency in which there are at least 17 nursing homes, each of them containing anywhere from 20 to 50 patients. True, not all of these unfortunate people are in a mental state to cast a rational vote under our democratic system. However, there are many people confined to nursing homes who are there because they were unable to get a bed in a general hospital or a convalescent hospital. Therefore, on account of some physical disability, and no mental disability at all, they have been deprived in the past of the right to cast their vote at federal elections.

That is why I should like to give notice that if this motion, as it should, reaches the standing committee on privileges and elections that committee should also consider the importance of granting voting polls in nursing homes in the constituencies across the country. At the same time I should like to associate myself with the views of hon. members who have emphasized the need also of extending the franchise to people who are in general hospitals at the time of a federal election vote.

Mr. M. J. Moreau (York-Scarborough): Mr. Speaker, I should like to commend the hon. member for Lincoln (Mr. McNulty) for having introduced this notice of motion. However, having been a member of the committee on privileges and elections last session and also being aware of the fact that this matter was discussed by the same committee in 1960, may I say I do not think any of the speakers today have dealt sufficiently with the practical difficulties involved in extending the franchise to people in hospitals throughout the country. It is all very well to state as a broad principle that we should enfranchise as many people as possible. However, there are practical difficulties with many groups of people, and because of the impossibility of policing the act or preventing abuses of the act or because of the extreme cost involved we are just not able to enfranchise them under the existing act.

When this matter was brought before the committee on privileges and elections last session we reached the conclusion that it was not practically possible to enfranchise people

in hospital without having a permanent voters list and a system of absentee voting. It was on this premise and for other reasons that the committee passed the following motion:

That a study be undertaken under the chairmanship of the chief electoral officer for the preparation of a full report on the question of a permanent electors list and of a method of absentee voting, stating the arguments for and against the adoption of a permanent list; and

That the committee recommend to the government that it approach the governments of the provinces with a view to participating in such a study and to canvass the possibility of a joint permanent electors list.

After the bill establishing a commissioner of elections was passed last session, one of the terms of reference he was given was to conduct a study in detail of the question of a permanent voters list. He has the necessary funds and staff to undertake such a study. This matter has been discussed by many committees in the past but they were always a little shy of information on which to form any valid conclusions. I suggest that we are moving in this direction, Mr. Speaker, and perhaps we will have a permanent voters list and an absentee voting system, with the result that many of the difficulties I propose to raise now may not be valid in the future.

However, the chief electoral officer raised the point in committee that under the present act it was not possible or practical to extend the franchise to people in hospitals. Even if we did have these portable polling booths for hospitals, it would be impossible to process the ballots adequately, allot them to their respective electoral districts and still preserve the secrecy of the ballot. Reference was made this afternoon to the fact that we do have voting in veterans hospitals. This, of course, is true but it is done under a special provision of the armed forces voting regulations. Under these regulations it is necessary for the veteran to indicate at the beginning of the year what his electoral district is. This of course is the key to absentee voting, and is the procedure followed in connection with veterans hospitals. We are informed also by the department of health and welfare that the average stay in acute hospitals in this country is ten days.

In view of the provisions in the act now for advance polls, and the fact that most people who are going to find themselves in hospitals on polling day have an opportunity to vote at an advance poll, I do not think we need this change. All of us here who are involved in elections know that we cannot protect an uninformed citizenry against themselves. We have all received calls just before election day asking where a person can vote because he is going to be out of town. We have to inform these people that the advance polls are held on the Saturday and Monday of the week prior to voting day. These people feel they are being disfranchised. The provisions of the act are clear and the newspapers carry stories about the advance voting days, yet some people do not avail themselves of these provisions. I suggest that many people who find themselves in hospitals are in the same situation. They just have not availed themselves of the provisions which are already in the act for advance polls.

The hon. member for Parkdale (Mr. Haidasz) raised the question of chronic institutions and nursing homes. Well, we do have provisions under the act for people in chronic institutions such as nursing homes, sanatoria, old age homes and other chronic hospitals. When the person is a resident of the institution on enumeration day, he is permitted to vote. I believe, however, the hon. member was referring to the smaller nursing homes that do not have a poll on the premises and it is impossible for these people to get out to a poll. This is quite a different matter and one that perhaps the committee should study. We could, perhaps, have portable stations for these institutions. The other difficulty in connection with extending voting to hospitals is that in many of our hospitals there are people who are not normally resident of the electoral district in which the hospital is located. This creates some serious difficulties in attempting to extend the franchise to these people. The hon. member for Renfrew South (Mr. Greene) suggested in the committee that perhaps 90 per cent of these people were actually residents of the riding in which the hospital was located, and we could make special provisions for them.

I feel, however, if we had a portable polling booth in these hospitals and some people were allowed to vote while others were not, this would be even more demoralizing to the patients. It would again point up the differences between rural voters and urban voters. In a metropolitan centre such as Toronto we might have people in hospitals from 30 or 40 electoral districts, and we would have to have a portable booth and a returning officer for each constituency. It would become extremely difficult. If we adopt some other form, like a ballot with an envelope on which we write in the constituency, it would still be difficult to preserve the secrecy of the ballot because we would have to indicate to whom this ballot belonged. In other words, the ballot would have to be checked against the voters list for the riding. The results would come in late and we would be faced with the same problems as exist in connection with the armed forces vote, when the returns come in a week later. There would only be

a few people involved and the secrecy of the ballot would certainly be violated. I can see many difficulties in carrying out such a proposal.

The hon. member for Lincoln (Mr. McNulty) also proposed some sort of method for transferring the ballot under which you get a transfer authorization. Again, the same problems exist. The transfers for which provision is made today are from one polling station to another within the same riding, and therefore the riding list can be checked to identify the elector. When we get to a situation of transferring ballots from one riding to another, the difficulty of getting these ballots back to the proper ridings and getting the vote recorded would be great.

Mr. Grafftey: Why?

Mr. Moreau: The hon. member for Brome-Missisquoi asks why. He knows full well that there may be only two or three people in a particular poll involved in this procedure, particularly in rural polls. In the rural areas you could identify the vote much more accurately than you could in the urban centres. I have lived a good deal of my life in the rural area and I know you can predict the outcome of a vote very easily in such an area. You know there will be a certain number of Liberal votes, a certain number for the Conservatives and a certain number for the N.D.P. Then, you have a certain number of doubtfuls, perhaps anywhere from two to six. I suggest if these people happen to be in that category of absentee voter they would soon be identified for all time.

Mr. Grafftey: Not at all; you are wrong again.

Mr. Moreau: The hon. member says I am wrong. I would suggest that perhaps he could participate in the committee on privileges and elections this session and we might hear his proposals for rectifying the situation.

We also have the question of advanced polls and it has been indicated that the number of people in hospitals who were disfranchised was something of the order of 40,000. Some 80,000 people took advantage of the advanced poll in the last election. I do not know how many of those were expecting to go to hospital, but I suggest a good number of them were, and therefore took advantage of the provision that now exists.

Although I do not have any objection to the subject matter of this motion going to the committee, I would indicate I generally support extending the franchise on as broad a base as possible; but we have to uphold certain principles such as the security of the ballot. We should not be rushed into any legislation that will create extreme difficulties and from which a whole new set of abuses might flow. I am interested in having the matter come up again before the committee, but we will not get very far towards meeting the problem until we have a permanent voters list and a system of absentee voting.

Mr. K. H. More (Regina City): Mr. Speaker, the hon. member for York-Scarborough (Mr. Moreau) referred to the previous committee, of which I was a member, and he has properly put before the house some of the problems we faced in that committee, where we had the advantage of the advice and experience of the chief electoral officer.

I may say I recognize those problems, but I do not believe they are insurmountable and I do not think it is true to say that we have to wait until we have a permanent voters list. In general I approve of this motion being sent to the committee, but I would prefer to see it wider in scope because a great many more thousands of people other than residents in hospitals are disfranchised under our present regulations.

There is one group of people in whom I am particularly interested. They are in full control of their faculties and are able to vote without any advice from anybody. They are the university students. However, they do not have any say about when an election will take place, and many months before the universities close they have succeeded in obtaining jobs elsewhere in order to earn money to pay for their tuition fees. Under the act they have a choice of either voting at their university or in their home constituency, but they end up 200 miles from either point and they are not willing to travel 200 miles at their own expense to vote.

The same thing applies to many people engaged in the construction industry. I have known workers living in northern Saskatchewan, northwest of Prince Albert, and working on construction jobs in southern Saskatchewan. Although the act provides time off for voting they do not have a desire to go back 300 miles to register their votes. I think all this can be overcome and I do not believe it needs a permanent voters list.

Rather than take up the time of the house, and so that this matter can come to a vote, I shall defer the suggestions I have to make, suggestions which come from discussions I have had with many people, and will make them in the committee of which I hope to be a member again, and where we will have the benefit of the advice and experience of the electoral officer. I hope the house approves this motion, although I would like to see it include the other classes of people I have mentioned. However, I am sure that their problems will be discussed in the committee.

Mr. Richard Cashin (St. John's West): Mr. Speaker, I agree with the principle of the motion but I must congratulate the hon. member for York-Scarborough (Mr. Moreau) for indicating some of the difficulties involved in implementing the proposal contained in it. As he said, this matter was discussed in the committee on privileges and elections in 1960 and again in 1963. The dilemma in which we find ourselves is that though there may be considerable difficulties in implementing the principle of the motion, nevertheless we are all of one mind in saying that the benefits of implementing it outweigh the difficulties involved.

The one solution that seems to remove the difficulties suggested by the hon. member for York-Scarborough, and the one which would also enable those people referred to by the hon. member for Regina City (Mr. More) to exercise the franchise, would seem to be a permanent voters list and some kind of absentee voting. I am inclined to feel, at least from the evidence which came forward at the last meeting of the committee on privileges and elections, and from the reference that committee made to the previous committee, that the difficulties are many.

One hon. member suggested, and I do not know whether I agree with his suggestion, that if there were a difference between urban and rural constituencies so far as the residency of a patient is concerned, perhaps the solution would be to make the hospital part of the constituency in which it is located. For instance, in the riding of Grand Falls-White Bay-Labrador it is reasonable to assume that the vast majority of patients in the principal hospital would be from that riding, but in an urban riding a great many patients in a hospital would ordinarily reside outside that riding.

For a moment I had thought the hon. member for Regina City was going to bring forth the argument that because university students are permitted to vote at their university, then perhaps patients in a hospital should be allowed to vote in the constituency where the hospital was situated. Had he gone that far there certainly would have been a presumption of reasonableness. I may say this is the first time the proposal has occurred to me but as he did not pursue it any further I shall not deal with it because, to be truthful, I do not know if I have a substantial argument. However, in a large hospital in a municipal area, with 500 patients, it is probable that not more than 50 or 60, possibly 100, would actually be resident in the constituency where the hospital is located. It seems to me more desirable that the majority of the patients should be enfranchised by having machinery whereby they could vote in their own constituencies. In saying this, again I come back to the suggestion of a permanent voters list and absentee voting.

I do not wish to talk about that particular proposal at this time because it is not directly contained in the motion before the house, but I do think the difficulties outlined by the hon. member for York-Scarborough present quite a problem.

To me the only solution seems to lie in a permanent voters list which, if it is to be successful, would involve participation by the federal and provincial authorities, which seems to be a very timely topic, and since we are discussing a great many other things concerning the federal government and the provincial governments then perhaps the laudable motives of the mover of the motion would be fulfilled through a permanent voters list. Not only would that solve the problem of hospital patients, but it would also help those classes mentioned by the hon. member for Regina City.

I think all hon. members have had dealings with electors who feel they have been unjustly deprived of their right to vote. It seems to me it is the desire of all of us to extend the franchise to the greatest number of people possible, and though a great deal of administrative difficulty may be involved, it seems to me that, collectively, the people who have responsibility in this field—and I include among them the members of the committee on privileges and elections—should have sufficient imagination and ability to devise a system whereby the right to vote is extended wherever practicable.

I am not only thinking of people in hospitals. In my own province of Newfoundland, many people engaged in the seasonal fishery find it necessary to move from one part of the island to another, and it is often the case that they find themselves disfranchised. At the present time the seal fishery is under way, and if an election were called many hundreds of people who have left their homes to go to the ice would be disfranchised. It seems to me we should tackle this question on a broader basis so as to deal not only with the case of those confined in hospitals but also with these other cases to which I have referred, as well as those which have been mentioned by the hon. member for Parkdale (Mr. Haidasz), the hon. member for Regina City (Mr. More) and others who have spoken.

It is certainly my hope that the subject matter of this motion will be referred to the committee on privileges and elections. I trust this committee will shortly be constituted, because there is a good chance of continuity in its membership; a number of members who have already served on that committee would

be available to sit on it again. I am sure they have the imagination and the ability to resolve some of these difficulties, and I feel this would be an appropriate occasion on which to do so.

[*Translation*]

Mr. Lucien Plourde (Quebec West): Mr. Speaker, I want to say just a few words on the hon. member's motion. I am certain that he introduced it in good faith, and I, for my part, believe that those sick people have a valid reason for not voting. We should therefore, accept it.

Why worry because an infinitesimal part of people, perhaps once in their lifetime, have to forgo their right to vote?

No, Mr. Speaker. To my mind we should rather worry about the very large number of people who are able to do their duty and vote, but stay away from the polls.

That is the alarming aspect, and not the case of a few voters who happen to be in hospital at the time. Illness is a thing that does happen to several people, during an election, and I might well be hospitalized myself and lose my right to vote. That is hardly a catastrophe, in so far as it happens only once.

Rather than amend the Canada Elections Act on such a flimsy point, we should proceed with a few much more urgent changes. If the hon. member has gained some experience in several elections, he should be familiar with the complications arising from those transfers in a riding, more particularly in the last days before an election.

If the Canada Elections Act is ever amended with regard to travelling polls, it should not only extend to hospitals, but to all people having to stay at home because of invalidity or other ailments.

[*Text*]

Mr. J. E. Madill (Dufferin-Simcoe): I should like to commend the hon. member for Lincoln (Mr. McNulty) for having introduced this notice of motion. I have served as a returning officer and I know what it is like to face disgruntled people who have not been allowed to exercise their franchise.

There is another group of people whose complaints might be considered, if this motion is referred to the committee on privileges and elections, as I hope it will be. These are the people who have moved their place of residence between the date of the issue of the writ and the date of the election. If they have not moved very far it is possible for them to get back to the riding where they are registered so as to exercise their franchise. A man might be able to get back himself, if the distance was not too great, but he could not very well take his family back to vote.

How could this difficulty be resolved? Application might be made to a returning officer who would be in a position, if the legislation were changed, to issue a certificate to provide that the elector's name be removed from the list in his old riding and sent to the returning officer in the area to which he has moved, where it could be added to the list. This would avoid any possibility of the franchise being exercised more than once. I think the committee might give consideration to this suggestion at the same time as it considers arrangements for covering persons in hospital.

I realize that time is allowed for anyone to get to the polls, but if a man has moved, say 500 miles, it becomes almost impossible for him to be present. I had one man come to me, an engineer in the department of highways, who had moved a thousand miles. He had always exercised his franchise and he felt he was being deprived of a right which should not be taken from him. I do not intend to say any more at this time. I just put forward these suggestions for consideration in the committee.

Hon. W. M. Benidickson (Minister of Mines and Technical Surveys): Perhaps this notice of motion could be referred to the committee. I think the debate, generally, has been in favour of such a course, and perhaps a motion might be made to that effect.

Motion (Mr. McNulty) agreed to.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

NORTHERN AFFAIRS

FORT CHIMO, QUEBEC—ALLEGED DISMISSAL OF SCHOOL TEACHER

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to put a question to the Minister of Northern Affairs and National Resources. Can he tell the house if it is true that, due to pressures from the government of the province of Quebec, teachers are leaving the schools in the Arctic, that is, those who teach the Eskimos and are under federal jurisdiction?

[*Text*]

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, I think the hon. member is referring to a story concerning one of our teachers at Fort

Chimo who resigned and gave an interview to the press in Winnipeg. This story concerns an unhappy employee, and there is nothing worse than an unhappy employee unless it is an employee who has resigned. I do not want to say anything concerning this employee which would affect his future because I met him when I was at Fort Chimo and I thought he was an exceedingly competent man, and I hope that some day he will work for northern affairs again. However, he has made the statement that he was forced to resign; he was not, because we offered him a post in Ottawa which he declined. He made the statement that he was forced to resign because of pressure from officers of the Quebec government, and I want categorically to deny this in every respect.

This employee had been running a small newspaper. As newspapers go it was rather a pathetic little sheet, but nevertheless it was a newspaper in that area. He had also been engaging in what amounted to editorial comment on the arguments which existed or were building up, or which appeared to be building up, between Quebec and the federal authorities. Our officials remonstrated with him on two or three occasions and finally it was decided that we should move him out of the area. He refused to accept removal to another place. He was then offered the post in Ottawa and came to Ottawa but he resigned shortly afterwards.

[*Later:*]

Mr. G. W. Baldwin (Peace River): A supplementary question. I should like to ask the minister whether it is correct that Mr. McTaggart, the principal in question, was asked by officials of his department not to publish any articles in this newspaper unless they were first submitted to the department for editing?

Mr. Laing: Yes, Mr. Speaker, we have such a ruling, a ruling which has been in effect for some years.

Mr. David Orlikow (Winnipeg North): I should like to ask the minister whether the newspaper reports that all seven teachers who have been teaching at Fort Chimo have asked for a transfer are correct, and if that is so what are the reasons?

Mr. Laing: No, Mr. Speaker, that is not correct. We think there has been an indication that four teachers are leaving. In the case of two of them, one is a teacher returning to university and his wife, who was also teaching there, is of course going with him. We have had an indication that two others will terminate their employment also.

[*Later:*]

[*Translation*]

Mr. Guy Marcoux (Quebec-Montmorency): Mr. Speaker, I should like to direct a question to the Minister of Northern Affairs and National Resources. Has the minister checked to see whether it is true that Mr. A. C. McTaggart, a school teacher, resigned to protest, as he said, against the strong campaign led by the Quebec government with a view to taking over the administration of Eskimo affairs?

[*Text*]

Mr. Laing: A similar question was asked before the hon. member came in, and I think he will find his answer in *Hansard*.

QUEBEC—ADMINISTRATION OF ESKIMO AFFAIRS

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a supplementary question to the minister. Could he tell the house whether, when he last discussed the transfer of jurisdiction of Eskimo affairs with Mr. Rene Levesque, of the province of Quebec, he promised the latter that no referendum would be held among the Eskimo people?

Mr. Habel: Why not ask your leader?

Mr. Pigeon: If the hon. member has a question to ask, let him stand up.

Mr. Speaker, I rise on a point of order. The hon. member for Cochrane keeps on interrupting without getting up. If he has questions to ask, he just has to stand up like a man.

Mr. Habel: I ask reasonable questions.

[*Text*]

Mr. Speaker: Order, please. I was going to suggest to the hon. member that this question does not have that tremendous sense of urgency which I think it should have at this time.

Mr. Pigeon: But the minister wants to answer.

Mr. Pickersgill: The new Speaker.

Mr. Pigeon: If you want to speak stand up and speak.

Mr. Speaker: Order, please. The hon. member for Northwest Territories.

Mr. Gene Rheaume (Northwest Territories): Mr. Speaker, I have a supplementary question for the minister of northern affairs. I should like to ask the minister whether there is any truth to the press report of this incident which states that when the minister visited Fort Chimo last fall the Eskimo leaders told him at that time that they did not want

jurisdiction over their affairs transferred to the province of Quebec. Is that an accurate statement of what occurred when the minister visited Fort Chimo last fall?

[*Later:*]

Mr. Speaker, since the minister has not answered my earlier question, may I ask whether at the time the minister visited the Eskimo people they asked him for financial assistance to help them move to other areas or to the Northwest Territories should this transfer take place? In his meeting last fall did the Eskimo people ask for financial assistance to move elsewhere, as the press reports state?

Mr. Speaker: May I suggest that the hon. member put this question on the order paper. This question has to do with something which happened last fall, and I am sure that if he puts the question on the order paper he will get a very full answer.

Mr. Rheaume: On a point of order, Mr. Speaker, this question has to do with something which has occurred in the house nearly every day for the last month, namely questions asked of the ministry as to what is occurring with respect to the transfer of jurisdiction over the Eskimo people to northern Quebec. If the minister—

Mr. Speaker: Order, please. The hon. member is making an argument.

PENSIONS

CANADA PLAN—POSSIBILITY OF INCORPORATING QUEBEC SUGGESTIONS

On the orders of the day:

Mr. Eric A. Winkler (Grey-Bruce): Mr. Speaker, I have a question for the right hon. Prime Minister. Will the Prime Minister advise the house of any intention to amend the Canada pension plan so as to incorporate the added advantages which it is suggested are inherent in the plan for the province of Quebec?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, we are quite satisfied with the plan we have put before the House of Commons.

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, may I put a supplementary question?

Could the Prime Minister inform the house whether, in the event of a pension plan being adopted by the Quebec government, the federal civil servants residing in the province of Quebec will be allowed to participate in the provincial plan?

[*Text*]

Mr. Pearson: Mr. Speaker, this is a matter which can be decided during the debate on second reading of the bill. All these matters can be discussed at that time.

LABOUR RELATIONS

GREAT LAKES—APPOINTMENT OF PRESIDENT OF SEAMEN'S UNION

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I should like to direct a question to the Minister of Labour regarding the statements which were issued on Friday by the board of trustees of the maritime unions and Mr. Hall of the S.I.U. of North America. In view of the announced intention of the board to withdraw Mr. Charles Turner and hand control of the union back to the S.I.U. so that its constitution will automatically put Mr. McLaughlin in as president, I want to ask the minister whether he considers that this action will be carrying out the intent and purpose of the legislation which was passed by this parliament last fall?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, this question involves an expression of personal opinion on the part of the Minister of Labour. However, what I will say is that the terms of the trusteeship legislation will apply and the board of trustees will still be in full charge of the situation in the event that Mr. McLaughlin will become president of the union. The trustees will still have the same authority under the law which they have today, and in the circumstances I think it is desirable they should.

Mr. Douglas: A supplementary question. Has the minister received any indication from the trustees as to what is meant by the third proposal in the statement, that:

> All possible steps would be taken to integrate Canada's maritime unions where it is in the interest of union stability.

Does this mean that the board envisages amalgamating the S.I.U., the C.M.U. and the National Association of Marine Engineers?

Mr. MacEachen: Mr. Speaker, I have not specifically inquired from the trustees what is the meaning, in the context posed by my hon. friend, of this particular statement; but I will be glad to draw this question to the attention of the trustees and ask them for an amplification of the statement with particular respect to the point raised by my hon. friend.

Mr. Douglas: Mr. Speaker, may I be permitted to ask one last supplementary question? Is there some written agreement between the board of trustees and the S.I.U.

of North America, or was there merely a press statement? The reason I am asking this question is to ascertain whether it would be possible to have it tabled and available to the members of the house.

Mr. MacEachen: Mr. Speaker, my understanding is that there is a joint statement indicating arrangements that have been reached, understandings, between the board of trustees, in the person of Mr. Millard as the representative of the trustees, and Mr. Paul Hall as the president of the seafarers' international union.

Mr. Douglas: Could this statement be tabled in the house?

Mr. MacEachen: I would be glad to ask the trustees for a copy and to table it.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I should like to ask the Minister of Labour whether the government was consulted and gave its approval to the arrangement made between the maritime trustees and Mr. Hall of the S.I.U. whereby Mr. McLaughlin is to become president of the S.I.U., despite the recommendations of Mr. Justice Norris that Mr. McLaughlin as well as Mr. Banks be removed from all position in the S.I.U.?

Mr. MacEachen: Mr. Speaker, from time to time the trustees have discussed their problems with me. On each occasion I have pointed out to them that they are free and independent and are expected to exercise their responsibilities in that way, under the terms of the legislation. I have resisted every invitation—some made in this house—to direct or interfere with or restrain the trustees in any way.

Some hon. Members: Hear, hear.

Mr. Stuart A. Fleming (Okanagan-Revelstoke): A supplementary question, Mr. Speaker. I should like to ask the Minister of Labour, in view of what he said earlier today and what he has now said, whether if Caligula had succeeded Nero he would have regarded that as an improvement in the government of Rome?

Mr. MacEachen: Mr. Speaker, all I wish to do is respect the law passed by the parliament of Canada, which gives this responsibility to the board of trustees and not to the Minister of Labour.

Mr. Fleming (Okanagan-Revelstoke): A further supplementary question, Mr. Speaker—

Mr. Speaker: Order, please. May I suggest to the hon. member that if he has a question to ask, he ask it; but I cannot possibly see any supplementary question here.

[Mr. Douglas.]

Mr. Fleming (Okanagan-Revelstoke): Mr. Speaker, I should like to ask a question for clarification. Is the minister's interest not in the welfare and interest of the Canadian seamen, who are concerned with this action?

LABOUR CONDITIONS

REQUEST FOR EXTENSION OF WINTER WORKS PROGRAM

On the orders of the day:

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, may I direct a question to the Minister of Labour?

Two or three weeks ago the minister told me that he would inquire to see whether it would be desirable to extend the period of the winter works program in the areas having a more severe climate. Could he tell us today how matters stand in that respect and whether this period will be extended this year in those areas which have not been able to take full advantage of the program since the beginning of the season?

[*Text*]

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

[*Translation*]

Mr. Gregoire: Mr. Speaker, on a point of order. I am just asking the Minister of Labour how far that investigation has progressed. Moreover, I think that question has some urgency, in view of the fact that the winter works program will end in three weeks.

For those reasons I feel that my question is in order.

[*Text*]

Mr. Speaker: If the minister wishes to reply, he may do so; otherwise may I suggest this is a question for the order paper. The hon. member for Quebec West (Mr. Plourde).

Mr. Gregoire: Mr. Speaker, the minister was rising to answer that question.

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, with your permission I shall be glad to answer my hon. friend and tell him that notwithstanding the consideration given to his proposal, it is not the intention of the government to extend the municipal winter works program beyond the date originally announced, or especially to apply at this stage the seasonal factors that he has in mind. Certainly his submission will be borne in mind for consideration for the future program.

WORLD FAIR

REQUEST FOR STATEMENT ON USE OF SYMBOL

On the orders of the day:

[*Translation*]

Mr. Lucien Plourde (Quebec West): Mr. Speaker, may I ask the Prime Minister a question?

Could the Prime Minister make a statement to the house about the symbol for the 1967 world's fair which was rejected by the house and adopted just the same by the world exhibition corporation?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I think that has already been dealt with officially in the house.

[*Translation*]

Mr. Plourde: Mr. Speaker, may I ask a supplementary question? Does the Prime Minister know that they adopted—

[*Text*]

Mr. Speaker: Order, please. The question has been dealt with, as was stated a short time ago. If the hon. member has a question, would he put it on the order paper? The hon. member for Grey North (Mr. Noble).

[*Translation*]

Mr. Plourde: Mr. Speaker, may I direct another question to the Prime Minister?

Is the Prime Minister aware that such a symbol was shown on television and that it was used to poke fun at the prime ministers of several countries?

[*Text*]

Mr. Pearson: No, Mr. Speaker, I am not aware of that.

SHIPPING

EFFECT OF LOW WATER LEVEL IN GEORGIAN BAY AND LAKE HURON

On the orders of the day:

Mr. P. V. Noble (Grey North): Mr. Speaker, I should like to direct a question to the Prime Minister. What measures does the government plan to take to cope with the serious low water situation in Georgian bay and lake Huron?

Mr. Speaker: May I suggest that this is certainly a question for the order paper.

Mr. Noble: Mr. Speaker, this is a serious situation in my riding.

Mr. Speaker: There is no doubt about the importance of the question, but similar questions have been asked, I think, for the last three weeks.

Mr. Noble: I would like to ask a supplementary question. I ask the Prime Minister, owing to the fact that this is a matter of international consequence, has he been contacted by the United States government in respect of this problem?

Right Hon. L. B. Pearson (Prime Minister): Not to my knowledge, Mr. Speaker. I know it is a serious matter, and if the hon. gentleman would put his question on the order paper that would give us a chance to make a thorough examination of the matter.

FINANCE

SALES TAX—REQUEST FOR SIMPLIFICATION OF REGULATIONS

On the orders of the day:

Mr. Barry Mather (New Westminster): Mr. Speaker, I have a question I should like to ask the Acting Minister of National Revenue. Is his department at this time receiving appeals from boards of school trustees across Canada urging a simplification of the regulations governing the sales tax as applied to building materials in school construction, without which they claim they will lose money; and if so, will his department consider these appeals?

Mr. Speaker: I am sure hon. members do not wish to see me getting up and down all the time, but this surely is also a question for the order paper.

EXTERNAL AFFAIRS

CYPRUS—ACTIVITIES OF CANADIAN PEACE KEEPING FORCE

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs. In view of the reported heavy fighting in Cyprus yesterday and again today, in which there were casualties among the British troops of the United Nations force and in the area we understand Canadian forces were to occupy today, could the Secretary of State for External Affairs tell the house whether Canadian troops have taken over these areas in which fighting has been taking place recently; and if so, have any special instructions been issued to them? In addition, perhaps the Secretary of State for External Affairs would care to comment on whether he thinks the position of Canadian troops under United Nations command has been jeopardized in any way by the unilateral breaking of the treaty by Archbishop Makarios.

Some hon. Members: Oh, oh.

Inquiries of the Ministry

Mr. Nesbitt: Mr. Speaker, some hon. members on the government benches do not seem interested in the Canadian troops there.

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, with regard to the first part of the question, there is no information immediately available that has not already appeared in the news media with respect to the position of the Canadian troops. As to the position of the British troops in the United Nations force the situation, of course, is more detailed. With regard to the second part of the question, we are aware, of course, that moves have been made over the week end by powers having treaty interests on Cyprus. It is clear that the problems raised by these actions are of direct concern to the United Nations mediator. These questions go close to the root of the basic problem between the two communities and it would be inappropriate at this time to add to the problem by commenting on something which is of immediate concern to the mediator.

Impartiality is the essence of the United Nations force on Cyprus and certainly I would not wish, and I am sure my hon. friend would not wish, to say anything at any time which could be construed as favouring one side or the other and thus making the role of our contingent more difficult or adding to the delicate responsibilities of mediation now being undertaken by the mediator.

Mr. Nesbitt: A supplementary question, Mr. Speaker. Can the minister tell us whether or not the Canadian troops took over those areas today that they were supposed to take over?

Mr. Martin (Essex East): Mr. Speaker, there is nothing further to add. As my hon. friend knows, the Canadians are part of the United Nations force and they take their orders from the commander of the international peace keeping body.

Mr. T. C. Douglas (Burnaby-Coquitlam): A supplementary question, Mr. Speaker. While agreeing with the minister's statement that this is a very delicate situation which ought not to be upset, may I ask the minister whether it would be possible to transmit this point of view to Archbishop Makarios who seems to be treading on a very delicate situation which may have very serious repercussions for the United Nations force of which Canada is a part?

Mr. Martin (Essex East): Mr. Speaker, I can only say that Canada's ambassador to Israel, who is also accredited to Cyprus, is in Cyprus and has been in Cyprus for several weeks and no doubt, consistent with the problems that face all on the island, he will discharge his responsibilities in a way that is calculated to do what my hon. friend perhaps has in mind.

Some hon. Members: Oh, oh.

Mr. Knowles: Even the Prime Minister has to laugh.

VETERANS AFFAIRS

SASKATOON, SASK.—SUGGESTION TO HONOUR LATE MEMBER

On the orders of the day:

Mr. Reynold Rapp (Humboldt-Melfort-Tisdale): Mr. Speaker, I should like to direct a question to the Minister of Veterans Affairs. Could the minister take steps to see that the new veterans home now under construction in Saskatoon is named the Harry Jones veterans home in memory of the late member of parliament for Saskatoon who served in Her Majesty's forces and also as parliamentary secretary to the minister of the department? Has the desire of the people of Saskatoon to have this home so named been brought to the attention of the minister?

Hon. Roger Teillet (Minister of Veterans Affairs): Mr. Speaker, I have not had any representations made to me but I thank the hon. member for the suggestion and I will certainly take it under advisement.

UNEMPLOYMENT INSURANCE

ALLEGED OVERPAYMENT OF BENEFITS

On the orders of the day:

Mr. A. D. Hales (Wellington South): Mr. Speaker, my question is directed to the Minister of Labour. According to the most recent unemployment survey made by the dominion bureau of statistics over 467,000 people were listed as unemployed but during the same period of time the unemployment insurance commission paid benefits to 607,144. Can the minister advise the house why there is this discrepancy of over 140,000 people and whether or not this many people are drawing unemployment insurance benefits when they are apparently not unemployed?

Mr. Pickersgill: Ask the hon. member for Ontario.

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker—

An hon. Member: You have been there a year. How long does it take you?

Another hon. Member: You were there longer than that.

Mr. MacEachen: —I will be glad to take this question as notice.

Mr. Hales: A supplementary question. Since the minister has taken this question as notice, will he also prepare himself to advise the house which set of figures he thinks is the correct one to use?

AGRICULTURE

TOBACCO—REQUEST BY GROWERS FOR FINANCIAL AID

On the orders of the day:

Mr. J. A. McBain (Elgin): Mr. Speaker, I wish to direct a question to the Minister of Agriculture. Can the hon. gentleman give any information to the house regarding the promise that was made last week to a delegation from the Ontario flue cured tobacco growers marketing board to the effect that their request for financial aid in processing and storing no sale tobacco would be given immediate consideration? Has a decision been reached on this matter by the government?

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, I met the delegation and assured them that we would take their proposals into consideration. We are still considering them.

Mr. McBain: If and when a decision is reached will the minister make the announcement in the house?

TRADE

REPORTED U. K. PROPOSALS RESPECTING PREFERENTIAL TARIFFS

On the orders of the day:

[*Translation*]

Hon. Paul Martineau (Pontiac-Temiscamingue): Mr. Speaker, I should like to direct a question to the Prime Minister. Could he tell the house whether the United Kingdom government consulted with the Canadian government regarding the trade proposal which it has just submitted to the Geneva conference, whereby the countries outside the commonwealth would be entitled to import some raw materials from the United Kingdom under the same terms as the commonwealth countries?

[*Text*]

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, may I be permitted to reply to this question? We have asked our delegation to the United Nations conference to give us a full report on these proposals, including the text of the statement referred to in the press reports and also referred to by the hon. gentleman. Until we have seen the text of the statement on these proposals I would hesitate to comment on them.

I should like to say one thing, however, that as far as restrictions on primary products are concerned the house will recall that in my statement on the GATT ministerial meeting in May of last year I pointed out that Canada would be prepared to join with other developed countries in removing barriers to the trade of less developed countries in these products. At present Canada has no quantitative restrictions on imports of products of interest to developing countries and our tariffs on tropical products and raw materials are generally low or have been removed altogether.

[*Translation*]

Mr. Martineau: I should like to put a supplementary question to the Secretary of State for External Affairs. Could he tell us whether he has been informed of this proposal in advance, since in his speech to the conference—a speech which was well received—he referred to the possibility that Canada would agree to such an eventuality?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, the president of the board of trade did not attend the conference 10 days ago. He arrived this morning only. We are not aware of this speech and we have asked for the information just mentioned by the Minister of Trade and Commerce. As soon as this information is available to us, we shall provide it to the house.

[*Text*]

Mr. Martineau: I wonder whether I could ask a supplementary question. Inasmuch as the minister stated at the conference that Canada was considering abandoning certain commonwealth tariff preferences it now enjoys in the markets of commonwealth developing countries in order to stimulate trade in certain non-commonwealth developing countries and inasmuch as the proposal placed before the conference today resembles very much the proposal made by the minister, I wonder whether the minister had advance information on that proposal?

Mr. Martin (Essex East): Mr. Speaker, I have already indicated what the position of the government is on that, as has my hon. friend, the Minister of Trade and Commerce. What I said on the subject was as follows:

> Canada would be prepared during the course of the Kennedy round of tariff negotiations to examine carefully any tariff preferences now enjoyed by Canada in the markets of developing countries which may be regarded as prejudicial to the trade of other developing countries.

TARIFF POLICY—INVESTMENT PROGRAM BY GENERAL ELECTRIC COMPANY

On the orders of the day:

Mr. Fred F. Stenson (Peterborough): I should like to address a question to the Minister of Industry. What steps is the minister taking with regard to Canadian General Electric's announcement last Thursday that tariff philosophies are not conducive to making needed investments in export facilities in Canada, and that they are setting up plants in Europe and Latin America rather than investing in export plants in this country?

Mr. Speaker: This is surely a good example of a question for the order paper.

DOMINION-PROVINCIAL RELATIONS

QUEBEC—REQUEST FOR LARGER SHARE OF REVENUE

[*Later:*]

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a specific question to the Prime Minister. Since Mr. Lesage's ultimatum claiming about $150,000,000 more expired yesterday, does the Prime Minister propose to assure the house that the province of Quebec will get that amount before the end of the year, in order to avoid a disaster?

[*Text*]

Mr. Speaker: I must rule this question out of order. It is a hypothetical one.

[*Translation*]

Mr. Pigeon: Mr. Speaker, I rise on a point of order. I have put a very specific question to the Prime Minister, and I am convinced that he will want to answer such an important question for the future of confederation.

[*Text*]

Mr. Speaker: I must say I do not think the Prime Minister should answer the question because I have ruled it out of order.

SUPPLY

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

DEPARTMENT OF JUSTICE

1e. Departmental administration including grants and contributions as detailed in the estimates, $10,000.

Mr. Brewin: Mr. Chairman, I should like to take this opportunity when this supplementary estimate is being discussed to call the attention of the minister to some matters which I regard as being of very great importance to the future of this country. I appreciate that the minister has only recently assumed this particular responsibility and that he has other heavy responsibilities. However, I believe that in the past there has been a lack in his department of leadership in the field I propose to mention. This field, Mr. Chairman, is the preservation and protection of the fundamental rights and liberties of the individual.

We have recently witnessed an incredible situation in the province of Ontario, an exhibition of insensitivity of those in high places to some of the most elementary principles of democracy. I do not propose to discuss the situation in Ontario at length. Fortunately, that matter has been dealt with adequately by the people and legislature of that province. However, the incident points up in my submission the urgent necessity for the incorporation in the constitution of Canada of a bill of rights which will prevent invasion of the fundamental liberties by provincial legislatures.

The bill of rights passed by this parliament has obvious admitted defects. The Leader of the Opposition himself, whose name is associated with this bill of rights, recognized that the bill is only a first step. It has no application at all to the actions of the legislatures of the various provinces, or to matters within their legislative field. It is a fact, Mr. Chairman, historically speaking, that most of the grave threats to civil liberties in Canada have come from the provinces. I do not forget that it was a former federal government that passed the orders in council providing for deportation for Japanese Canadian citizens whose only offence was their racial origin.

Mr. Favreau: I rise on a point of order, please.

Mr. Brewin: I am not likely to forget it because I had to represent—

The Chairman: Order; the Minister of Justice on a point of order.

Mr. Favreau: There is no hon. gentleman in this house whom I would less desire to curtail because he is always sincere in his statements on matters of justice and other matters. However, in view of the fact discussions on these estimates, which are supplementary estimates, are now proceeding into the ninth day I suggest that standing order 59(2) should be applied. It states that speeches in committee of the whole house must be strictly relevant to the item or clause under consideration.

Surely, Mr. Chairman, the matter of a bill of rights should not be deemed to be included in the objectives of vote 1e which is

for the purpose of making a grant to the Canadian corrections association to assist in defraying the expenses of the fifth international criminological congress to be held in Montreal in 1965. I repeat there is no attempt on my part to curtail discussion, but surely the hon. gentleman's remarks are not relevant within the meaning of standing order 59(2).

Mr. Knowles: You will remember some time ago, a couple of weeks ago, Mr. Chairman, you were in the chair when we first started discussing these supplementary estimates. I supported then the proposition that there should not be a general discussion covering the whole waterfront, but on each department where there was a general item discussion related to the general activities of the department would be in order. I believe that was the generally accepted view of the house.

What is now before us is item 1e of the Department of Justice. It includes certain other things which are in addition to money already voted for item 1 of the Department of Justice. I think anything that can be considered as being related to the Department of Justice, its general activities, should be considered in order now under the terms of the understanding under which we started this discussion some weeks ago.

[*Translation*]

Mr. Gregoire: On the same point of order, Mr. Chairman. We were also under the impression, when we began to discuss supplementary estimates "E", that on the first item of each department called, we would be allowed to deal with the general administration of one department only. That is why we refrained from starting a general debate on item No. 1 of the supplementary budget as a whole.

We are therefore surprised today to find that attempts are being made to curtail the debate on certain departments, because we feel that since we are dealing with the last supplementary estimates we are to see this year, we are entitled to a general discussion. No matter what the rules say, since an agreement was reached officially in this house, we should like to see it respected.

[*Text*]

The Chairman: I am in the same position as the Minister of Justice. I have no intention of trying to limit the discussion. I recognize that when we started a study of the supplementary estimates it was agreed by members of the committee we would have a general discussion on the first item of the department where there was an administration item such as this 1e for the Department of Justice. I am sure hon. members will recognize, in spite of this, that there must be some limitation. It does not mean, I am sure, that we should discuss everything that pertains in any way to the Department of Justice, and I believe hon. members will want to exercise some limitation.

I had some reservations myself about the tenor of the remarks made by the hon. member for Greenwood, and I felt that perhaps what he was saying was related more closely to the Department of Citizenship and Immigration and concerned the Immigration Act.

Before I sit down, for the benefit of hon. members I may quote not only standing order 59 (2) referred to by the Minister of Justice, but also page 738 of May's sixteenth edition which says:

> Of course, it is quite obvious that it should be improper, as a general rule, to raise on a supplementary estimate the whole question of policy involved in the original estimate.

This, of course, is a general rule we have to bear in mind, even though we have recognized the fact that we could have a general discussion, and I am sure the hon. member for Greenwood will want to keep that in mind.

Mr. Brewin: I assure you, Mr. Chairman, that I shall exercise the restraint you suggest. On the other hand I do propose to talk—if I am permitted to, and I think I am under the ruling you have made—about what I regard as one of the primary responsibilities of the Minister of Justice and his department. As I was saying, I do not propose to extend these remarks. Indeed, if I had not been stopped, I might possibly have finished by this time, but I will say to the committee and the minister that this question of a constitutional bill of rights for the protection of the fundamental rights of citizens, in my opinion is an important responsibility of his department.

While I recognize that the minister has only recently assumed his responsibilities, I hope that when his next estimates are presented he will be able to say something very definite about this matter. What I am saying today is that we, in this corner of the house at least, are serving notice that we expect some action from him in this regard.

I was pointing out the weaknesses of the existing bill of rights as passed by this parliament, and saying that one of its weaknesses is that it has no effect on provincial legislation which has constituted the main threat to civil liberties, with the exception, perhaps, of the Japanese Canadians, with which I was very familiar. With that single exception the invasions of civil liberties by provincial governments and legislatures has been more frequent. I am not going to cite them all now.

There was the press act of Alberta, the padlock act in the province of Quebec, and the acts of the legislatures of Newfoundland and Prince Edward Island that restricted freedom of association.

There has also been the recent act of the legislature of British Columbia that interfered with the rights of trade unions to contribute to election campaigns, and we have had a situation where the cabinet of the province of Ontario brought forward legislation that has justly been described by the press as the most offensive and dangerous legislation ever introduced in that province. It was described, by the ill-fated introducer of it as, "drastic, dangerous, new and terrible."

We all know that a vigilant press, an aroused public and a determined opposition secured the withdrawal of that legislation, but what I am trying to point out is that the bill of rights had no application to that threat, and apparently had no educative effect on the members of the Ontario government who sponsored the legislation. Even in respect to legislation passed by this parliament, a series of decisions has made it clear that the bill of rights is ineffective as its general language gives way to specific legislation inconsistent with it.

What I suggest is needed, and I recommend this to the Minister of Justice, is the incorporation in the constitution, and binding on parliament and the legislatures of a clear statement of fundamental principles setting out the basic liberties of the subject. I think one of the primary duties of the department is the considering of the constitutional structure of Canada as a whole, and also giving a lead to securing such a fundamental bill of rights as I have mentioned. Then there would be no danger of provincial or federal invasion of this particular field.

This would of course involve consultation with the provinces, and will also involve consultation with other experts in the field. More than a month ago I put a question on the order paper to the minister, question No. 229, which has remained unanswered. It was in respect to this very matter.

The whole problem of federal-provincial relations which is concerning all thoughtful Canadians can best be resolved, I suggest, in the context of effective federal leadership in the field of a new declaration of fundamental principles upon which the whole Canadian compact and constitution is based.

Before I sit down I want to refer to just one other aspect of individual rights which I suggest is urgently needed, and I merely suggest it for consideration. It is the question of a proper system of criminal legal aid. I have had, and no doubt the minister has had, many briefs on this subject. As a matter of fact some of the best briefs I received were from the John Howard Society of B.C., and the B.C. civil liberties association. I do not propose to read this at length, but the brief of the John Howard Society of B.C. points out that our Criminal Code provides that a person is entitled in a criminal case "to make full answer and defence personally, or by counsel," and the bill of rights provides for a fair hearing in accordance with the principles of fundamental justice. These declarations which are in important statutes of this parliament, the Criminal Code and the bill of rights, require a fair hearing and evidence that a person should be able to make answer to criminal charges. But can a trial be fair and fundamentally just when an accused person attempts to defend himself without counsel?

That question has been dealt with by the United States supreme court. I shall not quote its judgment at length, but as recently as 1963 that court said:

> ...Reason and reflection require us to recognize that in our adversary system of criminal justice, any person haled into court, who is too poor to hire a lawyer, cannot be assured a fair trial unless counsel is provided for him.

That seems to be an obvious truth. I point out that the crown provides for the prosecution of those charged with offences in order to protect the fundamental rights of the public, but the fundamental rights of the accused cannot be forgotten.

The minister may say that this is essentially a matter for the provinces but I suggest that section 91 (27) of the British North America Act gives responsibility to the federal parliament in criminal procedure, and thus indicates that the federal parliament must take a lead in this field. I know many provinces are seeking to develop adequate systems of legal aid and I suggest this is a field for co-operative federalism. One of the responsibilities of the minister should be to call together those who represent the provinces in this field and work out a fully satisfactory means of providing legal aid, which in the United States is said to be a high constitutional right of every individual accused. This is something which should also be developed in Canada. The rights of people accused in Canada should be no less than the rights of people accused in the United States.

These are the two subjects, that of a constitutional amendment to make an effective bill of rights, and criminal legal aid, which I respectfully suggest to the minister could be receiving his earnest attention. I do not expect him to answer these questions now, but I do serve notice on him that we will

look to him for a real lead in this field. For far too long the Department of Justice has been a department which has, no doubt, provided useful services to the government and to the country, but I think it has done all too little to blaze a trail in the development of the civil rights and liberties of all Canadians. I hope that under the leadership of the present minister the situation will change, and I serve notice on him that we shall continue to draw these matters to his attention.

Mr. Grafftey: In my brief remarks this evening I wish to touch upon the activities of the penitentiaries commission, which falls under the jurisdiction of the minister. I have asked him questions in relation to the subject I intend to bring up tonight. I have written a number of letters to various ministers and now I feel obliged to bring this subject up in the House of Commons this evening.

All of us in this house realize that the Minister of Labour has spent, and rightly so, hundreds of thousands of dollars of the taxpayers' money to encourage Canadian employers to employ older workers. Indeed, we are told—and it is apparent from the hon. gentleman's estimates—that employers are actually paid bonuses if they employ people over the age of 45. The other day in the house I put a question to the Minister of Justice. I asked him whether the penitentiaries commission withheld employment to applicants over the age of 45 years for positions other than custodial positions. The hon. gentleman told me—and I believe I am paraphrasing his reply correctly—that only those applicants who applied for jobs of a custodial nature had to be under the age of 45.

Some people may say this is only a small matter, Mr. Chairman, but I believe it is a matter of the kind which backbenchers must regard with a special concern. A gentleman in my constituency who is a war veteran—he had a very good record in the second world war—holds a licence as a plumber. I do not imagine that anybody, by any stretch of the imagination could declare that a plumber in a penitentiary was carrying out a custodial function. Well, on February 26, 1964, he received the following reply from the regional director of penitentiaries:

> Your application for employment as a plumber has been refused.

Why was it rejected? The reply went on:

> The maximum age for this position is 45, and you are 48 years old.

An hon. Member: Discrimination.

Mr. Grafftey: Happenings of this kind create a high degree of cynicism in the public mind. Far too often, governments say: Do as I say, not as I do. I do not intend to belabour this point further this evening. As I have said, I have written to the minister. I have written to the Minister of Veterans Affairs about this matter because he realizes that when people over the age of 45 are refused jobs of this kind in the government the whole notion of veterans preference is completely set aside. I have written, also, to the Minister of Labour because his department is spending hundreds of thousands of dollars trying to persuade employers in the private sector to employ people over the age of 45.

I think the incident I have cited shows that a ridiculous state of affairs exists. I am not, primarily, bringing the case of one man before the committee this evening. I think the government should start a whole investigation into the civil service commission and into the penitentiaries commission to see if any more anomalies of this type exist. I know that the minister, with his usual sincerity, will investigate this matter as quickly as possible and give us a satisfactory answer.

[*Translation*]

Mr. Martineau: Mr. Chairman, I only wish to make a few remarks to the Minister of Justice. I know that he is responsible for making sure that every bill submitted to the house does not violate the constitution; I know also that he does not shirk that responsibility. As a matter of fact, the other day, he gave a categorical opinion on the constitutionality of the pension plan bill and in particular on the constitutional aspect of section 3 of the said bill.

I must admit that I was a little bit dismayed to hear the minister give such a categorical and definite opinion on a matter which seems to raise very serious doubts in the minds of our country's experts in constitutional matters because such matters seem rather complicated.

In fact, section 3 provides that any non-participating province will have to submit to the following procedure:

1. First of all, give the federal government a 30-day notice of its intention not to participate in the national program;

2. On receipt of such a notice, the federal government reserves the right to decide on the validity of the alternative program proposed by the province—

Mr. Chairman, I believe I have imitators on the other side of the house. If my dear friends wish to explain the problem, I am quite willing to yield the floor to them—

3. According to the provisions of that section, it would seem that once a province has joined the national program, it will no longer be able to withdraw from it.

In my opinion, those three conditions restrict the legislative authority of the provinces concerning those pensions.

On the other hand, the provisions of clause 94A of the British North America Act are quite clear and leave no doubt as to the absolute jurisdiction of the provinces as regards pension legislation.

Here is part of that provision:

—that the parliament of Canada may, from time to time, make laws in relation to old age pensions in Canada—

The Chairman: The Minister of Justice is rising on a point of order?

Mr. Favreau: Mr. Chairman, I realize the importance of the question asked by the hon. member for Pontiac-Temiscamingue. While I may have answered rather quickly the other day, it was simply due to my conviction on that point, but it does not mean that the matter does not call for a general discussion.

But hon. members know, and we announced it, that the bill on the Canada pension plan is to be called for second reading at any time now. I think that it would give us an opportunity of discussing the merit of clause 3 of the bill, rather than under the administration item of the Department of Justice.

I am certain that, even if we were discussing the main estimates, and not just supplementary estimates, this discussion, under the item now before us, and even under the main budget, could hardly be justified.

Mr. Martineau: Mr. Chairman, as regards the point of order raised by the Minister of Justice, I must say that I raise this question because the constitutionality of our laws depends on the minister and his authority.

We are now considering item 1, and you have just accepted a discussion which was quite far from the subject. But, on the other hand, in order to assuage the minister's impatience, and perhaps your own, I may say that I have almost concluded my remarks. I have only two or three words to add.

When I was interrupted so pleasantly by the Minister of Justice, I was reading the provisions of section 94A, which, I believe, are clear and give the provinces an absolute right to legislate in matters of pensions. This section goes even farther, and indicates that the federal government cannot, through any legislation, prejudice this legislative power.

Now, as I have mentioned, here is a project the constitutionality of which the minister has to determine, and which encroaches, in three ways, on the absolutely clear power of the provinces to legislate in this field under their own jurisdiction.

In the circumstances, since the minister replied a little more quickly than he should have, I simply suggest that he should ask his officials to examine the various aspects of this section and that he should study them himself.

If I raise this matter at the present time, instead of waiting for consideration of the bill itself, concerning the pension plan, it is because I am convinced that the minister, having seen to what extent this measure encroaches on provincial jurisdiction, will withdraw, amend or repeal section 3, and place before the house a bill which, at first sight at least, will appear constitutional.

Mr. Pigeon: Mr. Chairman, I should like to say just one word and ask the minister whether he intends to amend the Criminal Code so that the provinces that want to may organize lotteries and sweepstakes. I am vitally interested in that matter. I know the minister will co-operate, because it concerns a promise made by several candidates of his party during the last election campaign, especially in the province of Quebec.

I have here a clipping from the newspaper *La Presse* of March 4, 1963 where it is reported that the hon. member for Dollard (Mr. Rouleau), now parliamentary secretary to the Prime Minister, speaking in Malartic, promised, on behalf of his party, that the Criminal Code would be amended in order to enable the provinces wishing to do so, including the province of Quebec, to have lotteries. I know that the minister's answer will be yes, since the hon. member for Dollard and some others—

The Chairman: Order. Since the hon. member has now expressed his opinion and made his representations, I may take this opportunity to make a ruling on the point of order raised a while ago by the Minister of Justice.

Of course, I feel sure that the hon. member for Pontiac-Temiscamingue has realized the soundness of the point raised by the minister in the sense—

Mr. Martineau: Mr. Chairman—

The Chairman: If the hon. member for Pontiac-Temiscamingue will let me conclude my remarks. —In the sense that we cannot anticipate an order of the house, in the case pointed out by the hon. member for Pontiac-Temiscamingue, who himself admitted that he had to limit his observations, in a certain measure, in view of the fact that there was already an order of the house on the same matter.

In the case that has just been raised by the hon. member for Joliette-L'Assomption-Montcalm, we are faced with the same difficulty. There is at least one bill, namely Bill C-19, which is now listed on the order paper of the house. In the circumstances, hon. members are not entitled to enter into a debate with respect to that matter.

Mr. Pigeon: Mr. Chairman, in that case, I shall raise another point.

I know that the government intends to appoint a judge who will be in charge of divorce cases for the provinces of Quebec and Newfoundland.

May I ask the Minister of Justice whether he intends to consult not only the civic authorities but also the religious authorities in the provinces of Quebec and Newfoundland, because I do not believe that it is possible, under the constitution, to impose on the provinces concerned something they probably do not want, without consulting them and obtaining their assent.

Mr. Favreau: Mr. Chairman, of course, the legislative measure mentioned by the hon. member for Joliette-L'Assomption-Montcalm is not aimed at setting up divorce courts for the provinces of Quebec and Newfoundland.

I do not want to say much about it, because it is now on the order paper and will be discussed as soon as the order of the day is called. But nevertheless, it is indeed an act for the sole purpose of investing upon a judge the powers of a divorce commissioner, a position which was established by the house during the last session.

However, I think that when the bill in question receives second reading, I shall have the opportunity of explaining to the house what it is all about and the nature of the powers that this legislative measure will confer on an additional judge of the exchequer court.

Mr. Pigeon: Mr. Chairman, since this is another bill before the house and I cannot speak about it, just as in the case of sweepstakes, I shall try once again to deal with a subject which does not concern any bill now before this house, which will permit me to make my observations while conforming to your requirements.

Recently, the chiefs of police of Canada held a convention during which certain films shown over the television networks, particularly the C.B.C., were strongly criticized.

The Canadian chiefs of police association has submitted a brief to the Minister of Justice—when the former minister of justice was head of the department—asking him to find some way, not to impose people on the C.B.C., but rather to exert more pressure so that the C.B.C. itself might select a special committee made up, for instance, of educators, parents and religious authorities, in order to exercise some supervision on films shown on television, especially those shown at the time young people settle down before their television sets.

Police chiefs in Canada were unanimous to state that one of the main causes of crime and juvenile delinquency in general throughout Canada was the showing of movies exploiting crime, sex, and passion on television at hours when young people are among the viewers.

Without alluding to anybody in the C.B.C., I would ask the minister whether it would be possible to find a practical way so that T.V. networks, such as the C.B.C. itself, might set up an organization to supervise the movies shown at hours when young people are listening.

Because he received many letters from all over the country, from authorities of all religious denominations, educators and parents, the minister must be aware of the general concern over the freedom taken in that respect by the C.B.C. national television network which is financed by taxpayers throughout Canada.

Consequently, I would ask the minister whether it would not be possible to find, in consultation with the Secretary of State (Mr. Lamontagne), a compromise which would enable the C.B.C. to recommend to the government the establishment of such a committee and to act upon the representations made by parents, educators, religious authorities, and also by the chiefs of police at their recent convention.

Mr. Favreau: Mr. Chairman, I do not want to labour that point too long either, but I wish to say that I have inherited from my predecessor, as suggested by the hon. member for Joliette-L'Assomption-Montcalm, the very policy concerning the association to which he referred earlier.

Mr. Chairman, for reasons which can be readily understood, I have not yet had the opportunity of considering to my satisfaction the problem and of establishing definitely under whose jurisdiction this whole matter comes nor the solutions likely to be brought forward. The problem can obviously be considered from many angles. First, the viewpoint of Canadians and parents who have to exercise their authority on their children; second, the time at which the programs are shown; third, the question of censorship and liberty of television; fourth, should the state-owned network be treated differently from privately-owned networks.

I can assure my hon. friend that as a citizen of this country and as a father, I am very much interested in this problem and that I shall do my utmost to discuss this matter with my colleagues.

Mr. Pigeon: Mr. Chairman, may I ask a supplementary question?

Does the minister consider that each province could use its own censorship organization to supervise programs or films presented

on the television networks? The province of Quebec has its own censorship organization; is the minister not of the opinion that this comes under provincial jurisdiction?

Mr. Favreau: I realize that all questions ought to be answered, provided they are in order according to our rules and regulations. But I feel sure that my hon. friend is now asking me for an opinion on a constitutional matter that I have no right to give to the house.

All I can say is that, when I was teaching law, that was a question I liked to ask the people in my class and they did not always come up with a perfect answer, in the sense suggested by my hon. friend. I feel it is premature to discuss it here, for this is not the right moment for that. Furthermore, the question is purely theoretical, since it is meant to determine whether or not such an act, if it were passed by the provinces, would be constitutional. But, to the extent that the matter falls within the scope of the question, I promised to take it into serious consideration, and I shall do so.

Mr. Balcer: Mr. Chairman, before the item is passed I know that the minister wants to answer the question asked by my hon. friend from Pontiac-Temiscamingue on the constitutionality of section 3 of the bill concerning the Canada pension plan.

The Chairman: Order. I think that the hon. member for Three Rivers was not in the house when that point was raised by the hon. member for Pontiac-Temiscamingue, but a question was asked and an answer given by the Minister of Justice, and we agreed that such matters were not in order and should be discussed some other time.

Mr. Martineau: Mr. Chairman, with all due respect, the question was in order and I thought that the minister was ready to give me an answer, but later on I did not get any.

The Chairman: The hon. member for Peace River. Is the hon. member for Pontiac-Temiscamingue raising a point of order?

Mr. Martineau: I have no wish to interrupt my hon. friend, but before going on to another item, even if it is in order, I think that the minister should give us some explanations. After all, he comes to the house to have some votes passed, and the least he could do is answer the questions put to him.

The Chairman: I think the question has already been answered, though perhaps not to the satisfaction of the hon. member, but I think that under standing orders, the substance of the question raised is irregular because it tends to prolong the debate.

[Mr. Pigeon.]

Mr. Martineau: There is no question of drawing out the debate; the minister has only to answer yes or no.

Mr. Favreau: Mr. Chairman, we have here a quite important question of policy and, even if we were discussing the first item in the main budget, I think that it is not up to me to answer a question specifically asked by my hon. friend from Pontiac-Temiscamingue because, according to the functions he has assumed, the Minister of Justice is the adviser of the crown in all constitutional matters.

It is therefore obvious that the same pretext might be used to raise questions with regard to the constitutional character of every statute, every clause and every item before us, and, for purely mathematical reasons, it would be an endless procedure. It seems to me that the discussion will be much more in order when the bill presented by the Minister of National Health and Welfare comes up for second reading.

[*Text*]

Mr. Baldwin: Mr. Chairman, in June, 1963, I asked the minister at that time a question with regard to the matter of the legality of the means proposed by the government in making a change of administrative responsibility for the Eskimos in northern Quebec. On June 28 I asked him this question dealing with the transfer of responsibility for the Eskimos:

> If any such agreement is reached, will it be submitted to parliament?

The minister then said the question was a hypothetical one and did not answer it. Since that time I have posed the question a number of times, as have other hon. members. It has now been admitted that an agreement of sorts has been reached between Canada and Quebec and I think this is an excellent time for the minister, sitting here not only in his capacity as Minister of Justice in respect of whose estimates we are now having a discussion but also, of course, as one of the ministers dealing with the question of this particular transfer, to answer this question. I make this very definite statement, Mr. Chairman, that as I understand it, the method which the government proposes to use is completely unconstitutional and should not be permitted. I want to illustrate this very briefly and put these points before the committee at this time. As has been admitted Canada secured, after trying to evade it, responsibility in 1939 as a result of a decision of the Supreme Court of Canada. In the result the court answered a very simple question. The question was: Are Eskimos of northern Quebec Indians within the meaning of term 24 of the British North America Act,

section 91? The answer was very simply: Yes, they are. This was the entire answer made by the Supreme Court of Canada. This being the case, by section 91 Canada has exclusive jurisdiction; but not the government of Canada, the parliament of Canada. I think—

The Chairman: Order. I have some doubt as to whether the point raised by the hon. member falls within the ambit of the resolution now before the committee. Perhaps the hon. member might enlighten the Chair as to how this relates specifically to the item before us.

Mr. Baldwin: Mr. Chairman, this matter turns on a question of the constitutionality of a step which is to be taken in connection with the transfer of responsibility for certain Canadian people for whom this parliament is responsible. It has been admitted in the house that this transfer is going to take place. I am suggesting that the method by which it is to take place is unconstitutional. In my view the Minister of Justice, as attorney general, chief law officer of the crown and adviser to the cabinet, is now answering for his estimates and is in the position where he should be prepared to hear argument that this is not a constitutional process which the government proposes to take.

I am basing my view, Mr. Chairman, on the fact that we have agreed indirectly that there shall be general discussion, which normally possibly would not take place but because of the desire to push through interim supply this general understanding was reached. As a matter of fact, just to illustrate my point, I had prepared myself to and wished to discuss this particular issue on interim supply, but I yielded to the request of the government and did not do so. Now the estimates of the Minister of Justice are before the committee and this issue I am dealing with involves the constitutionality of a very grave and important proposal that the government has made. I am submitting that the way they intend to do it is unconstitutional and I think the minister is the proper person to entertain this argument.

Mr. Laing: Would the hon. gentleman permit a question? He made the statement that it had been admitted in the house that a transfer was to be made. Would he refer me to the quotation in *Hansard* where that statement was made?

Mr. Baldwin: I am sure my seatmate will be glad to look that up while I am proceeding with my argument.

Mr. Macdonald: That is a weak response.

Mr. Baldwin: It was during the course of a discussion when the Prime Minister, as I recall, made the statement that before the transfer was made there would be consultation with the Eskimos.

The Chairman: Order. The point I had in mind was that even though we are having a general discussion that discussion should relate to matters which affect the administration of the Department of Justice. The point being raised by the hon. member is very similar to others raised previously by the hon. member for Joliette-L'Assomption-Montcalm, the hon. member for Pontiac-Temiscamingue and the hon. member for Three Rivers. In each case there is anticipation of legislation which may or may not come before the house. Perhaps there is not this difficulty in the case of the hon. member, but to my mind the discussion which he is starting now relates more closely to the administration of northern affairs than the Department of Justice. I wonder whether the hon. member has taken that into account?

Mr. Baldwin: Yes, Mr. Chairman. May I say that if there were legislation dealing with this matter on the order paper I would not need to say anything. I would not be making this argument; I would not be speaking. What we are complaining about is that there is no legislation when there should be. That is germane to my complaint. There is no legislation. What I submit is proposed to be done here is proposed to be done, if it is going to be done at all, by order in council, which I submit is completely unconstitutional, completely improper. That is the point of my argument. There is no legislation before us at all. I suggest that the Minister of Justice has an explanation to make here.

I will not be very long. I should like to make these points to illustrate my reason for suggesting that what is proposed is unconstitutional. The minister may be able to satisfy my anxiety on this score. If he can I will be very happy indeed. I was pointing out that the 1939 case vested jurisdiction over the Eskimos of northern Quebec in parliament and not in the hands of the government. Surely it has been settled many years ago that the legislative branch is supreme and that the government only has such power as parliament chooses to give to it. Until the Minister of Justice or the Minister of Northern Affairs and National Resources is in a position to indicate to the house that the government has jurisdiction to make this transfer, then I suggest there is no way it can be done save by legislation.

I will complete my very brief argument on this point and then sit down and hope that the minister may answer me. I recall that when my colleague spoke on this matter on an interim supply bill he indicated that the government should bring in legislation and

then made the point that the effect of a statement made by the parliamentary secretary appeared to negative the suggestion and to indicate that legislation would not be brought in to implement the proposal.

I submit that if you examine section 91 of the British North America Act, Mr. Chairman, you will see the impropriety of what the government proposes to do. Without securing an act of parliament it is going to transfer jurisdiction by administrative process to a province. As far as that aspect is concerned, let me say that I make no objection to the fact that it might be eminently desirable in the long run for changes of jurisdiction of this kind to take place. This is not my argument. I am concerned with the manner in which it is proposed to be done. The government proposes to do it by means other than legislation. Let us consider what may be involved here—the health, education, welfare, the method by which property descends, devolution of estates and so on, relating to these Eskimos.

Mr. Favreau: Mr. Chairman, I raise a point of order which I will not press too hard, but because the supplementary estimates of the Department of Northern Affairs and National Resources will be coming up at any moment now, I suggest very respectfully that item 1 of the estimates of the Department of Justice is hardly the place for this discussion. However, inasmuch as the hon. member has already gone quite far in asserting his very interesting position, I suggest that he be allowed to proceed even on my estimates but that we be allowed to answer this part of his speech when the northern affairs estimates are called.

The Chairman: I think this is a very reasonable position. Actually it is the position that the Chair adopted in the case of the hon. member for Pontiac-Temiscamingue who was allowed to complete his argument, although perhaps he did not have as much time to do so as the hon. member for Peace River. I feel that the committee of supply is not the place to get an opinion from the Minister of Justice on the constitutionality of a statute. However, as the Minister of Justice is willing to listen to the point of view being expressed by the hon. member for Peace River I feel he should be allowed to complete his argument.

Mr. Martineau: On the point of order.

[*Translation*]

On your point of order, Mr. Chairman, I must say that this discussion is quite relevant, since the Minister of Justice himself took part in the discussions regarding the matter raised by the hon. member for Peace River (Mr. Baldwin).

[*Text*]

The Chairman: I think his participation was to the extent of saying he should not be required to give an opinion.

Mr. Baldwin: Mr. Chairman, this is one of those famous compromises by which democracy works, though sometimes at greater length than it normally would. This is my submission. If I am correct in the assumption I have made from all of the questions and answers and what has been said on the subject, that it is the intention of the government to call this change an administrative change only and work it out by order in council without coming to parliament, then I submit this procedure is unconstitutional. I was making the point as to precisely what would be involved in these changes. They may call it administrative detail, but in fact it involves everything concerning the lives and the fortunes of 2,500 Canadians. True, there may be left in the hands of the federal government the empty shell of jurisdiction but active participation in all matters affecting these people will be in the hands of a provincial government.

If this is the position, what is going to happen to federal-provincial government responsibilities under sections 91 and 92 of the British North America Act, that is if the federal government is going to follow the policy of making constitutional changes by order in council, rather than coming to parliament?

If this is the position, why is it not possible for them also by order in council to authorize a provincial government to issue a charter to a company to build a pipe line in order to permit that company to go to the national energy board? Why is it not possible for the government, upon the same basis of reasoning to give a provincial government authority, such as Mr. Bennett's government in British Columbia, by order in council and despite the provisions of section 91 of the British North America Act, to grant a charter to a group of people in British Columbia to operate a chartered bank? Why is it not possible, on the same basis of reasoning for the federal government, not parliament, to give to any other province authorization to raise its own army, and do it by means of order in council? This is precisely the basis of reasoning on which the government is now operating in their announced intention to proceed to make this constitutional change without coming to parliament. Parliament has exclusive jurisdiction. I use the word "parliament" as distinct from government. Parliament has exclusive

jurisdiction with regard to Indians, and this includes the Eskimos of northern Quebec. Until parliament has given the government the right to give to a provincial government any of its responsibilities in respect of these Indians, then the action which the government proposes to take is completely unconstitutional and not within the purview of the government as opposed to parliament. This is the simple issue I raise, and I think it deserves an answer.

[*Translation*]

Mr. Gregoire: Mr. Chairman, I should like to direct a question to the Minister of Justice. The minister, as he pointed out a while ago, had an opportunity to practise and teach law in the province of Quebec. He was in a position to be personally aware, as I am also, of the delays caused in that province by the rather large number of cases cluttering up the roll of the superior court. Therefore, does he intend to appoint enough new judges to meet the needs of the people, thereby providing for the smooth administration of justice in that province?

Mr. Favreau: Mr. Chairman, I am aware of that situation. I know that the roll of some of the courts of my province are overcrowded and I also know that this causes delays. I must explain how vacancies are filled in the superior court. There are two jurisdictions in the provinces which see to the establishment of courts, as well as to the appointment of a certain number of judges for a particular court. Once the province has set the number of judges for appointment to a court, it is under the Canadian constitution that the federal government must fill the new vacancies and appoint those judges.

I have just received a communication from the chief justice of the province of Quebec who is at present discussing the situation with the attorney general of that province. If ther are no further developments, the whole matter will rest with the province and we shall not interfere.

As far as the appointment of any judge is concerned, both federal and provincial statutes must be considered.

Mr. Gregoire: I should like to put another question to the Minister of Justice. Does the minister also intend to see that judges of the appeal court and of the supreme court, are in sufficient numbers to meet the requirements of justice in our province?

Mr. Favreau: In the case of the supreme court, and the exchequer court, this matter, of course, comes under federal jurisdiction. But to my knowledge, no complaint has been received to the effect that the number of judges in those two courts is insufficient.

Mention was made earlier to a bill now on the order paper and tending to increase the number of judges in the exchequer court for a specific purpose, that is to grant powers to the commissioner for divorces. I am not aware of any complaint to the effect that there are not enough judges in the exchequer or in the Supreme Court of Canada or that there is any backlog in those courts.

Mr. Ricard: Mr. Chairman, I should like to ask the Minister of Justice a few questions regarding the construction of a penal institution in my riding, more especially in St. Pie de Bagot. I should like to know what reasons led his department and that of public works to cancel the decision previously taken to build a medium security prison in my riding, and especially in St. Pie de Bagot.

Mr. Favreau: Mr. Chairman, as far as I know, that matter was settled before I took over as Minister of Justice. I do not think I can say anything more at this time. It might be possible to discuss this further when my department main estimates are considered.

I am not fully informed of the reasons which led to the decision reached in that case. I can say, however, that they are the same reasons which caused my predecessor to uphold, for instance, the decision he took in the case of Drumheller after extensive consultations. It would be neither honest nor realistic to go further than this. I readily admit that I am not aware enough of the facts referred to by the hon. member to give a complete and satisfactory answer.

Mr. Ricard: The minister could merely ask the necessary information of his parliamentary secretary (Mr. Macdonald) who is beside him at the present time. Indeed, I myself could, I think, inform the minister. But before going any further, I would like also to ask the minister whether he has considered taking the necessary decisions to make good the great injustice committed by his predecessor concerning the riding of St. Hyacinthe-Bagot. Since the minister does not seem to have enough information to give a reply, I could make a summary of what happened at the St. Vincent de Paul penitentiary but I shall just say that we have here a shameful example of patronage on the part of the present government.

Mr. Favreau: Mr. Chairman, I rise on a point of order. I do not think it is permissible for an hon. member to make, on supplementary estimates, such unfounded accusations concerning recent events about which I am not sufficiently informed to make comments, as the hon. member is fully aware. Furthermore, those remarks are hardly relevant to vote No. 1e which provides for

the approval of an expenditure of $10,000 to pay for the expenses of the international criminological congress which will be held in Canada in 1965.

Mr. Ricard: Mr. Chairman, I have a lot of respect and admiration for the Minister of Justice. However, I do not think I have to accept the directives he wants to give me. I have before me all I need to prove to the Minister of Justice that it is not an unfounded charge, but facts which speak eloquently for the action taken by the Liberal party and the present government. I will certainly not miss this opportunity to put before the house and the country the true facts so that the people of my riding in particular, those of Quebec and Canada as a whole may know how much the present government has indulged in small-time patronage.

In 1958, Mr. Chairman, the Department of Justice was planning to get new prison facilities because St. Vincent de Paul penitentiary had become too small. Therefore, at that time, I took steps to find, together with employees of the Department of Public Works and the Department of Justice, the lands necessary for the construction of a medium security penitentiary in my constituency. This institution was going to cost about $4,500,000 to build, and the work would allow the hiring in my constituency, of a good many people, about 200 heads of families. As you may well imagine, the citizens of my constituency learned with satisfaction that the then minister of justice, Mr. Davie Fulton, had decided to grant to that part of the country, a penal institution which would have brought great prosperity first to the town of St. Pie, and second, to the whole St. Hyacinthe area.

Mr. Chairman, it is now a quarter to ten and I see that the President of the Privy Council wishes to be recognized.

[*Text*]

Mr. McIlraith: Mr. Chairman, I want to thank the hon. member for yielding me the floor. We are expecting momentarily a message from the other place for royal assent at a quarter to ten, and I wonder whether in the circumstances it would be more appropriate for us to rise, report progress and ask leave to sit again.

The Chairman: Shall I rise, report progress and ask leave to sit again at the next sitting of the house?

Some hon. Members: Agreed.

Progress reported.

THE ROYAL ASSENT

Mr. Speaker: I have the honour to inform the house that I have received the following communication:

Government House,
Ottawa, April 1964.

Sir:

I have the honour to inform you that the Honourable Robert Taschereau, P.C., Chief Justice of Canada, acting as Deputy of His Excellency the Governor General, will proceed to the Senate chamber today, the 6th of April, at 9.45 p.m., for the purpose of giving the royal assent to certain bills.

I have the honour to be,
sir,
Your obedient servant,

A. G. Cherrier,
Assistant Secretary to the Governor General.

BUSINESS OF THE HOUSE

Mr. Churchill: I would ask the house leader if he will announce the business for tomorrow.

Mr. Favreau: Tomorrow we will proceed with the balance, I hope, of the supplementary estimates, after which the rest of the time during the day will be used for the debate on the second reading of the Canada pension plan bill, and the next first full two days will be taken to conclude the debate on the budget.

Mr. Peters: May I ask the house leader when it is his intention to establish the standing committees?

Mr. Favreau: Mr. Speaker, it is obvious that it is the intention of the government to establish the standing committees right away. It is a matter of mechanics, getting the steering committee together to provide the names for the various parties. The proportion of the members on the various committees has been worked out already.

THE ROYAL ASSENT

A message was delivered by Major C. R. Lamoureux, Gentleman Usher of the Black Rod, as follows:

Mr. Speaker, the honourable the Deputy Governor General desires the immediate attendance of this honourable house in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the house went up to the Senate chamber.

And being returned:

Mr. Speaker informed the house that the Deputy Governor General had been pleased to give, in Her Majesty's name, the royal assent of the following bill:

An act for granting to Her Majesty certain sums of money for the public service for the financial year ending the 31st March, 1964.

It being eight minutes after ten o'clock the house adjourned, without question put.

HOUSE OF COMMONS

Tuesday, April 7, 1964

The house met at 2.30 p.m.

PRIVILEGE

MR. AIKEN—ANSWER TO QUESTION ON ORDER PAPER

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I rise on a question of privilege relating to an answer given yesterday to question No. 431 as found on page 1810 of *Hansard*. This answer is wrong. The first part of the answer states that a site consisting of two parcels of land for a public building at Britt, Ontario, is being acquired by the government from G. M. Taylor. The second part of the answer states that Mr. Taylor is not a consultant of the Minister of Public Works or of the Postmaster General.

This latter answer is in error, because I asked a question on December 4, 1963, which is to be found on page 5409 of *Hansard*, relating to the consultants of the Postmaster General. The third part of that question was as follows:

From whom were recommendations for this appointment solicited by the Postmaster General?

This was the answer:

District director of postal service, North Bay, and Gerald M. Taylor.

This gentleman is a twice defeated Liberal candidate. My reason for raising a question of privilege with regard to the question answered yesterday is to indicate that he has used his position and knowledge to go out and take an option on a public site required by the government and then resell the property to the government. I am directing this matter to the attention of the minister and I would ask him to look into it, correct the answer and possibly also get a new consultant.

EXTERNAL AFFAIRS

CYPRUS—TABLING OF LETTERS RESPECTING STATUS OF PEACE KEEPING FORCE

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I should like to table an exchange of letters constituting an agreement between the United Nations and the government of the republic of Cyprus concerning the status of the United Nations peace keeping force in Cyprus.

LABOUR CONDITIONS

EXTENSION OF WINTER WORKS PROGRAM—MOTION FOR ADJOURNMENT UNDER STANDING ORDER 26

Mr. Speaker: Orders of the day.

Mr. Diefenbaker: In regard to the Alberni valley—

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, under—

[*Text*]

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

[*Translation*]

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

[*Text*]

Mr. Speaker: The hon. member for Lapointe on a point of order.

[*Translation*]

Mr. Gregoire: Mr. Speaker, under standing order 26 I should like to ask leave to adjourn the business of the house for the purpose of discussing a definite matter of urgent public importance, the extension of the winter works program past April 30, in the areas adversely affected by a more severe climate.

Mr. Speaker, in my opinion the motion is quite in order and ought to be accepted by all members of this house.

It deals with a very specific question: the extension of winter works, after April 30, in areas where the climate is more severe. The matter is one of public importance. The Minister of Finance (Mr. Gordon) himself stated recently that unemployment was the number one problem facing the government today. Now, unemployment is especially high in areas which have to put up with a severe climate. At the present time it represents Canada's most acute problem.

It is obviously a matter of general interest, since it concerns a large number of regions, in all parts of the country, especially Newfoundland, New Brunswick, the province of Quebec, northern Ontario, a large part of Saskatchewan, northern Manitoba and northern Alberta.

Mr. Speaker, it is also a very urgent matter in view of the fact that only three weeks remain before the end of the winter works

period, that is April 30; there is barely enough time to select the regions adversely affected by the climate and prepare a program to extend the winter works period in such regions.

To support my request, Mr. Speaker, I wish to read a telegram sent to the Minister of Labour (Mr. MacEachen) by the economic council of the Saguenay-Lake St. John region at the request of its chairman, Mr. Raymond Lanctot, and signed by the secretary treasurer, Mr. Thomas Eugene Simard, following a proposal made by mayors Georges Hebert, of Arvida, and Alfred Hamel, of St. Felicien. I quote:

Economic council of the Saguenay-Lake St. John region at its annual meeting yesterday in Jonquiere resolved unanimously to ask you to reconsider your decision about the extension of the winter works program until May 31.

Several mayors attending this meeting stated that the people in their municipalities would suffer severe hardship if period—

Mr. Speaker: Order. Have you a motion to introduce?

Mr. Gregoire: Mr. Speaker, I believe I am allowed under the standing orders to state the reasons for introducing my motion. Standing order 26 (3) reads as follows:

He then hands a written statement of the matter proposed to be discussed to Mr. Speaker.

Mr. Speaker, here is the text of my motion.

I move, seconded by Mr. C. A. Gauthier, member for Roberval:

That the house do now adjourn in order to discuss a definite matter of urgent public importance, that is: "The extension of the winter works program after April 30 in areas handicapped by a more severe climate.

Mr. Speaker, since the debate on the supplementaries for the Department of Labour is completed and the discussion on the remainder of the budget can be delayed; since, on the other hand, this question is of extreme importance and urgency, we appeal against your ruling.

Mr. Lambert: You cannot do so.

Mr. Habel: You are out of order.

Mr. Gregoire: One can appeal when ruled out of order.

[*Text*]

Mr. Speaker: I have to decide whether the ordinary proceedings before the house should be adjourned under standing order 26, and to determine whether the motion moved by the hon. member for Lapointe is in order. The three essentials, of course, are that the question must be national in scope, there must be extreme urgency, and there must be lack of other opportunity to debate the matter.

[Mr. Gregoire.]

It seems to me that with certain estimates under discussion later this day and with the budget debate just around the corner, so to speak, there will be ample opportunity before April 30 to discuss this interesting matter. At the moment there is not sufficient urgency or lack of opportunity for debate to set aside the ordinary business of the house and receive this motion.

Under the circumstances I regret that in my opinion the motion should not be received.

[*Translation*]

Mr. Gregoire: Mr. Speaker, inasmuch as a precedent was set in February 1963—under similar circumstances the question was put to decide whether we were entitled to appeal against the ruling of the Speaker, the house voted yes and you did so yourself on that occasion—we appeal against your ruling to the effect that we are not entitled to appeal—

[*Text*]

Mr. Speaker: If I may say so, I understand the great interest the hon. member has in this subject, in fact that all members have, but I may call to his attention Beauchesne once more, citation 100(7):

The house affirmed, on the 19th of February, 1932, that there is no appeal from the Speaker's decision, that a motion, to adjourn the house for discussing an urgent matter of public importance, cannot be made unless the member's statement shows that there is actual urgency for debate. The Speaker decided that his decision on this particular point was final. Mr. Ralston appealed from the "Speaker's refusal to permit an appeal from his decision." The Speaker was sustained by a vote of 72 to 47.

In the circumstances I can only suggest to the hon. member that in view of the precedents and in view of the reasons given, he might consider very carefully abiding by the Chair's decision.

[*Translation*]

Mr. Gregoire: You all voted in favour last year.

[*Text*]

Mr. Speaker: The house has heard the decision of the Chair from which the hon. member for Lapointe has appealed to the house. All those in favour of sustaining the decision of the Chair will please say yea.

Some hon. Members: Yea.

Mr. Speaker: Those opposed will pleased say nay.

Some hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Call in the members.

And the members having been called in:

Mr. Speaker put the question as follows:

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

"The hon. member for Lapointe (Mr. Gregoire) having asked leave to adjourn the house under standing order 26 for the purpose of discussing a matter of urgent public importance"—

Mr. Speaker: Shall I dispense?

Some hon. Members: No, read it.

Mr. Speaker:

—"namely, that the house do now adjourn to discuss a definite matter of urgent public importance, that is the extension of the winter works program, after April 30, in areas handicapped by a more severe climate.

The Speaker decided that, since an opportunity to discuss this matter could arise in the near future on the budget debate, there was no urgency of debate as understood under the terms of standing order 26. Whereupon the hon. member for Lapointe appealed to the house from the decision of the Chair.

The Chair then decided that in accordance with certain past decisions of the house the Speaker's ruling in this regard was not appealable to the house. Thereupon the hon. member for Lapointe appealed to the house from the latter decision of the Chair.

The question the house is called upon to decide is whether the ruling of the Chair in such cases can be appealed to the house. Is it the pleasure of the house that the Speaker's decision be sustained?

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

Division

YEAS

Messrs:

Addison
Aiken
Alkenbrack
Armstrong
Asselin (Notre Dame de Grace)
Badanai
Balcer
Baldwin
Basford
Batten
Bechard
Beer
Bell
Benidickson
Benson
Berger
Bigg
Blouin
Boulanger
Brown
Byrne
Cadieux (Terrebonne)
Cameron (High Park)
Cantelon
Cantin
Cardiff
Cardin
Caron
Carter
Choquette
Churchill
Clancy
Coates
Cote (Longueuil)
Cowan
Crossman
Crouse
Danforth
Davis
Deachman
Diefenbaker
Dinsdale
Doucett
Drury
Dupuis
Emard
Enns
Fairweather
Fane
Favreau
Fleming (Okanagan-Revelstoke)
Flemming (Victoria-Carleton)
Forbes
Forest
Foy
Gelber
Gendron
Godin
Gordon
Grafftey
Gray
Greene
Guay
Gundlock
Habel
Hahn
Haidasz
Hales
Harkness
Harley
Hays
Hellyer
Horner (Acadia)
Howe (Wellington-Huron)
Jewett, Miss
Jorgenson
Kennedy
Kindt
Klein
Konantz, Mrs.
Laing
LaMarsh, Miss
Lambert
Lamontagne
Lamoureux
Laverdiere
Leblanc
Leboe
Leduc
Lessard (St. Henry)
Lloyd
Loiselle
Loney
Macdonald
MacEachen
MacEwan
MacInnis
Mackasey
MacLean (Queens)
Macquarrie
MacRae
McBain
McCutcheon
McIlraith
McLean (Charlotte)
McNulty
McWilliam
Madill
Mandziuk
Martin (Essex East)
Martineau
Matheson
Matte
Millar
Mitchell
Monteith
More
Moreau
Morison
Muir (Lisgar)
Mullally
Munro
Nasserden
Nesbitt
Nicholson
Nielsen
Noble
Nowlan
Nugent
O'Keefe
Olson
Otto
Patterson
Pearson
Pennell
Pepin
Pickersgill
Pigeon
Pilon
Prud'homme
Pugh
Rapp
Rheaume
Ricard
Richard
Rideout
Rinfret
Robichaud
Rock
Rouleau
Roxburgh
Ryan
Rynard
Sharp
Simpson
Starr
Stefanson
Stenson
Stewart
Tardif
Teillet
Temple
Thomas
Thompson
Turner
Walker
Watson (Chateauguay-Huntingdon-Laprairie)
Webb
Willoughby
Winkler—170.

NAYS

Messrs:

Beaule
Belanger
Boutin
Brewin
Cameron (Nanaimo-Cowichan-The Islands)
Caouette
Cote (Chicoutimi)
Dionne
Douglas
Fisher
Gauthier
Knowles
Langlois
Laprise
Latulippe
Lessard (Lake St. John)
Mather
Orlikow
Perron
Peters
Prittie
Scott
Webster
Winch—24.

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

Inquiries of the Ministry

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

[*Translation*]

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

Mr. Ouellet: Mr. Speaker, I was paired with the hon. member for Matapedia-Matane. Had I voted, I would have voted against your ruling.

[*Text*]

BROADCASTING

ANNOUNCEMENT BY SECRETARY OF STATE OF COMMITTEE OF INQUIRY

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, in view of the lapse of time since I rose originally I might direct a question to the Secretary of State regarding a pronouncement made yesterday by him to the effect that the federal government has decided to establish a special committee of inquiry.

Among other things he said that we have adhered much too closely to the American tradition of non-intervention in broadcasting by government. Does this mean that a method is being sought by the present government to be in a position whereby there can be greater governmental interference in broadcasting? What is the nature of this peculiar statement that ought to have been made in the House of Commons?

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, in the speech I made yesterday in Quebec city I listed certain problems faced by broadcasting in Canada at the present time and, if I may quote from what I said, I added:

> With this in mind and wishing to end the uncertainties in Canadian broadcasting the government now feels that the time has come to provide for an inquiry into those matters through a committee on broadcasting to be set up by the government.

I want to add today that when the terms of reference and the composition of that committee have been decided by the government I will be very pleased indeed to make a statement to the house.

Mr. Diefenbaker: Mr. Speaker, I ask the minister what right he has to make an announcement like this outside of the house, particularly when a broadcasting committee is going to be set up. In any event, what did he mean by the words I placed before him, in which he indicated there should be greater intervention on the part of the government. What did he mean by that?

[Mr. Groos.]

Mr. Lamontagne: I merely said, Mr. Speaker, that I thought the government should play a greater role in the cultural affairs of our country.

Mr. Diefenbaker: I ask the minister what justification he had to make an announcement like that outside of the house when parliament is sitting, with the result that parliamentarians have to become aware of his considered opinions by reading what he has said outside of parliament.

Mr. Lamontagne: I think it was quite proper for me to make this statement to those people.

Some hon. Members: Oh, oh.

Mr. Pigeon: The same old gang.

An hon. Member: Contempt of parliament.

[*Translation*]

Mr. J. A. Habel (Cochrane): Mr. Speaker, I should like to direct a supplementary question to the Secretary of State. Is it not true that it is precisely the right hon. Leader of the Opposition who asked the government to intervene just a few weeks ago?

Mr. Lambert: Quite true; here, in the house.

[*Text*]

Mr. W. M. Howe (Wellington-Huron): Mr. Speaker, I have a supplementary question for the Secretary of State. Will the minister give his assurance that the proposed changeover of Toronto radio station CJBC from English to French, about which there has been so much protest, will not take place until the question has had a thorough examination by this committee?

Mr. Lamontagne: I cannot give this undertaking to the house.

An hon. Member: Where are you going to give it?

[*Translation*]

Hon. Paul Martineau (Pontiac-Temiscamingue): Mr. Speaker, I should like to direct a supplementary question to the Secretary of State. To what intervention was the minister referring in his statement?

Mr. Lamontagne: Mr. Speaker, I did not refer to any government intervention in radiobroadcasting, but I did mention that it would be advisable and entirely desirable for the government to play a greater role in Canadian culture, a role which would enhance our culture.

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I should like to put a supplementary question to the Secretary of State. Could he tell us

what kind of committee will be set up and whether the committee will have the opportunity of making a complete inquiry within the C.B.C. in so far as its budget and expenditures are concerned?

Mr. Lamontagne: Mr. Speaker, I have already stated that the membership and the terms of reference of the committee would be announced in the house shortly.

[*Text*]

Mr. R. W. Prittie (Burnaby-Richmond): Mr. Speaker, I should like to ask the Secretary of State if the assumption of the Leader of the Opposition that there is going to be a parliamentary committee is correct. It seems to me that was assumed in the question of the Leader of the Opposition. Is this correct or not?

Mr. Lamontagne: Mr. Speaker, that position will be made clear when I make my statement to the house regarding the terms of reference and composition of the committee.

Hon. Theogene Ricard (St. Hyacinthe-Bagot): Mr. Speaker, I should like to ask the Prime Minister a supplementary question. Was the Prime Minister aware of and did he discuss with the Secretary of State the terms of his speech before the speech was delivered?

Right Hon. L. B. Pearson (Prime Minister): Yes, I was aware he was making the speech. I discussed it with him in general terms. I suggest that my hon. friend should read the text and he will find it very enlightening.

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I should like to ask the Prime Minister if the setting up of this committee will preclude the setting up of a parliamentary or House of Commons committee on broadcasting.

Mr. Pearson: Not necessarily, Mr. Speaker.

[*Translation*]

Hon. Leon Balcer (Three Rivers): Mr. Speaker, may I direct a question to the Secretary of State?

In the speech he made yesterday the Secretary of State mentioned the fact that a committee made up of Messrs. Stewart, Ouimet and Jamieson had been making studies about radio and television for almost a year, at the request of the government. Could he tell the house when a report will be submitted to the house about that investigation and if it will be referred to the committee of the house so that its conclusions may be studied?

Mr. Lamontagne: Mr. Speaker, those three gentlemen were asked personally by my predecessor to review the matter of television in order to reach some conclusions.

They agree on some points and disagree on others, but I expect to receive a report before the end of the month. We will see then what can be done.

[*Text*]

LABOUR RELATIONS

GREAT LAKES—INQUIRIES RESPECTING CONTROL OF SEAMEN'S UNION

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I direct a question to the Minister of Labour. In view of the joint statement issued by the board of trustees of the maritime unions and the S.I.U. of North America to the effect that control of the S.I.U. is now going to be turned back to its constituted officers, may I ask the minister if the notorious "do not ship" lists will continue to be issued, if there has been any accounting of the moneys which were turned over by the government of Canada for holiday pay to the union, and whether the statement that there will be an assimilation of all maritime employees into one union means that these unions are going to be merged into the S.I.U. I think these are questions which are perturbing the people of the country and members of this house, and I wonder whether the minister can clarify the situation.

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, with reference to the last part of my hon. friend's question, I undertook to secure that information for him but I have not received it yet from the trustees. I believe the other parts of his question are covered in the report of the board of trustees in a general way, but I will make specific inquiries and advise the hon. member just as soon as I receive the information.

Mr. Douglas: A supplementary question, Mr. Speaker. I asked the minister this question some time ago and I repeat it now. Would the minister consider having the board of trustees of the maritime unions meet with the industrial relations committee of the house so these questions could be put to them, rather than our having to ask the minister questions which he naturally cannot answer without communicating with the board of trustees? It seems to me that such a meeting would be extremely useful. It would help the board to appreciate the point of view of members of parliament, and also help members of parliament to understand the policies which are being pursued by the trustees.

Mr. MacEachen: Mr. Speaker, I will be glad to give consideration to this proposal. I will communicate with the trustees to secure from them their views as to the desirability of making an appearance before the industrial relations committee, and I will so advise the house.

Hon. Michael Starr (Ontario): Mr. Speaker, I should like to direct a supplementary question to the Minister of Labour. Would the Minister of Labour also inquire whether the hiring halls of the S.I.U. will still be used, and whether the same methods of providing employment will be carried on; or have any changes been made?

An hon. Member: Ask Paul Hall.

Mr. MacEachen: Mr. Speaker, I think this has already been announced. A representative of the board of trustees has been placed in each of the hiring halls to ensure that proper procedures are followed.

Mr. Starr: A supplementary question. Would the minister clarify the words "proper procedures"? Does this mean that the old method of referring an employee to a shipping company for hiring by that company without any other choice will still be maintained?

Mr. MacEachen: I will be glad to take that question as notice.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): In that connection I should like to ask the minister whether Mr. Leonard McLaughlin, the heir apparent to Hal Banks, is one of 15 defendants facing a charge of conspiracy, with the preliminary adjourned until June. Does the minister feel that a man with these qualifications should be placed at the head of the S.I.U. and enabled thereby to carry out the policies of his master, Banks?

Mr. MacEachen: I would expect that my right hon. friend would permit the court to make a finding with regard to these charges before he would find the man in question guilty.

Mr. Diefenbaker: The royal commission which recommended the ouster of Banks referred to this man in the most disparaging terms. The commission said he was really the playmate of Banks and carried out Banks' work. Does the minister now depart from the recommendations of the royal commission and almost give to this man McLaughlin a halo?

Mr. Donald MacInnis (Cape Breton South): The Minister of Labour suggested that we should await the decision of the courts to prove this man McLaughlin's guilt or innocence. Is this another way for the minister to say no to the protests of the other unions which came under the trusteeship voluntarily and which are now objecting to this procedure?

Mr. MacEachen: Mr. Speaker—

Mr. Speaker: I think that was more of a statement than a question.

Mr. MacInnis: I rise on a point of order, Mr. Speaker. I should like to respectfully request the Chair to call hon. members opposite to order for this persistent hissing while I am trying to ask a question.

Some hon. Members: Oh, oh.

Mr. MacInnis: I thought I made it quite clear the other day that as long as this attitude is adopted by members on the government side of the house, I am quite prepared to stand here and await your decision as to whether or not they will be called to order.

Mr. Speaker: Well the hon. member, I am sure, does not wish to embarrass the Chair. The Chair is not prepared to wait until the hon. member is ready to ask his question.

Mr. MacInnis: I take it then, Mr. Speaker, that the Chair is fully prepared to embarrass a backbencher on this side of the house who has to put up with that, and I do not think you should place that embarrassment on me or any other member of this house. Further, I call your attention to the fact the Minister of Labour was on his feet and had commenced to answer my question when you decided it was out of order.

[*Later:*]

Mr. E. Nasserden (Rosthern): I wish to direct a question to the Minister of Labour. What is the distinction which places Mr. Leonard J. McLaughlin in a category different from that in which the government placed Banks when it proposed a trusteeship to take over the S.I.U. and divest him of his office in that union?

Mr. MacEachen: This is a matter which has been decided by the trustees, and I have nothing to add to what I stated yesterday in explanation of that decision.

EXTERNAL AFFAIRS

SUGGESTED NON-AGGRESSION PACT BETWEEN NATO AND WARSAW PACT POWERS

On the orders of the day:

Mr. Barry Mather (New Westminster): I should like to ask a question of the Secretary of State for External Affairs, notice of which I have given to him. Having in mind the current altercations between the Soviet union and the People's Republic of China, I wonder if the minister could tell the house whether in

his opinion this might be a timely period for Canada to work toward a non-aggression pact between the NATO and Warsaw pact countries.

Hon. Paul Martin (Secretary of State for External Affairs): The hon. gentleman was kind enough to give me notice of his intention to ask this question. The current exchange between the NATO and Warsaw pact countries. People's Republic does not affect directly our attitude toward the question of a non-aggression agreement between the NATO and Warsaw pact countries. Our attitude remains as it was when I informed the house on this subject as reported in volume I of *Hansard* for 1963, page 420, when I answered a question addressed to me by the hon. member for Greenwood.

CYPRUS—GREEK AND TURKISH TROOPS STATIONED ON ISLAND

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): I have a question on Cyprus for the minister of external affairs. Will the minister inform the house concerning the exact status of Greek and Turkish troops in Cyprus? Are there any Greek and Turkish regular army troops in Cyprus; in what numbers are they, and stationed in what localities and for what purpose?

An hon. Member: Order paper.

Hon. Paul Martin (Secretary of State for External Affairs): The question involving statistics, of course, is obviously for the order paper, concerning what localities and matters of that sort. There are roughly two to one in favour of the troops who have a Greek background.

Mr. Churchill: May I ask a supplementary question. I am asking about regular army troops.

Mr. Martin (Essex East): With regard to the Greek army?

Mr. Churchill: Yes.

Mr. Martin (Essex East): No, these are Greek and Turkish Cypriots.

Mr. Churchill: Do I understand there are no regular troops from either Greece or Turkey stationed on Cyprus?

Mr. Martin (Essex East): There are limited numbers of both, and the question is now being discussed as to their integration into the United Nations force.

CYPRUS—REPORTED TURKISH THREAT TO LAND TROOPS

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs. It is reported this morning that the government of Turkey sent a note to the government of Greece informing the Greek government that if any further killing of Turkish troops took place, Turkey would regard this as an attack on herself and would make landings on Cyprus. Could the Secretary of State for External Affairs inform the house whether such a note was sent; and if so, the contents —the exact contents, if he is aware of them.

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I am aware that the government of Turkey sent a note to the government of Greece, not with regard to actions on the island in connection with Turkish Cypriot citizens, but with regard to the announced decision of Archbishop Makarios to abrogate the 1961 agreement.

Mr. Nesbitt: A supplementary question, Mr. Speaker. Then the Secretary of State for External Affairs is informing us that no notes have been sent by the Turkish government to the Greek government concerning the killing of Turkish troops and the possibility of a Turkish invasion of the island?

THE VATICAN—ESTABLISHMENT OF DIPLOMATIC RELATIONS

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Prime Minister. Since the Vatican will have a permanent observer at the United Nations, does the Canadian government intend to initiate diplomatic relations with the Vatican state?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): I merely repeat the answer that has been given to that question over the years, Mr. Speaker.

[*Translation*]

Mr. Pigeon: Mr. Speaker, I rise on a point of order. If I put that question, it is because during many previous election campaigns, several Liberal members such as the hon. member for Matapedia-Matane (Mr. Tremblay)—

[*Text*]

Some hon. Members: Order.

Some hon. Members: Sit down.

Mr. Speaker: Order. I am sure the hon. member knows the rules as well as the Chair.

[*Translation*]

Mr. Pigeon: Mr. Speaker, I rise on a question of privilege. If I put that question, it

is because during the previous election campaigns the Liberal candidates made formal promises on behalf of their party—

[*Text*]

Mr. Speaker: Order, please.

NATIONAL DEFENCE

CYPRUS—INQUIRY AS TO CANADIAN SUPPLY LINE

On the orders of the day:

Hon. D. S. Harkness (Calgary North): I should like to ask a question of the Minister of National Defence. In view of the increasingly serious situation in Cyprus, is the minister now in a position to inform the house how the Canadian troops in Cyprus are getting their supplies, and particularly whether the supply line they are using will be adequate no matter what circumstances may develop there?

Hon. Paul Hellyer (Minister of National Defence): Yes, Mr. Speaker, the commander of the United Nations forces has made arrangements to use the British supply line. This is being used for the Canadian forces, and I am sure it is adequate to meet any emergency.

DISBANDMENT OF FIGHTER SQUADRON 410

On the orders of the day:

Hon. W. G. Dinsdale (Brandon-Souris): I have a question for the Minister of National Defence. Is the hon. gentleman now in a position to reply to the question which was asked him a week ago today with respect to the disbandment of 410 squadron?

Hon. Paul Hellyer (Minister of National Defence): A week ago—I think it was the last day on which the hon. gentleman was here—he asked me a question with regard to the disbandment of R.C.A.F. No. 410 all-weather fighter squadron at R.C.A.F. station Uplands. This action was the outcome of the consolidation of air defence squadrons announced January 10. Previously the relatively small number of Voodoo aircraft belonging to the R.C.A.F.'s air defence command had been dispersed through five squadrons in five different locations. Although they were called "squadrons" they had a unit establishment of only 12 aircraft each, and this was long considered to be an expensive and not too efficient way of operating such a small force. Such an arrangement inevitably means a great deal of administrative, technical and support overhead for the amount of fighting effectiveness produced.

After studying the cost-effectiveness of this arrangement, I accepted the R.C.A.F. recommendation that the Voodoo aircraft could be more effective grouped in three squadrons rather than five. No. 410 squadron was selected by the R.C.A.F. as one of the two squadrons to be placed on the inactive list. The other would be No. 414 squadron located at North Bay, effective July 1 this year.

I am sure hon. members will join me in thanking the fine officers, N.C.O.'s and men of this proud squadron for the outstanding service they have given to our country.

TRADE

GATT—REPORTED ADOPTION BY CANADA OF FREE TRADE POLICY

On the orders of the day:

Mr. W. M. Howe (Wellington-Huron): I have a question for the Minister of Trade and Commerce. According to a news report in this morning's *Globe and Mail,* Under Secretary of State Norman Robertson, who leads a Canadian negotiating team to trade talks in Geneva in May, is likely to have a strong free trade mandate from Canadian business. Is this an indication that the government has adopted a free trade policy?

Hon. Mitchell Sharp (Minister of Trade and Commerce): I am glad the hon. gentleman asked this question, because it gives me an opportunity of reporting in a brief way on what has been going on in this field.

First of all, in reply to the particular question which he raised arising out of the report in the *Globe and Mail,* I may say this report was apparently written as a result of repeated questioning by representatives of the press of the acting chairman, Mr. Hector McKinnon. He, in reply to these questions, had emphatically and frequently stated that since all submissions to the committee are regarded as confidential, no specific information could be supplied regarding the representations made by any industry or any industries.

In reply to frequent further inquiries as to whether the general trend of the submissions was in the direction of no reductions on Canadian tariffs, the committee has answered in general terms as follows. First, Canadian industry, contemplating the Kennedy round, appears today to be seized of the possibilities and potentialities in export trade and is providing to the committee many specific requests regarding concessions desired in the tariffs of other countries. Second, in many instances submissions state that provided the concessions requested are forthcoming, the applicant industry or company would be prepared to forgo at least part of the protection afforded by the Canadian tariff. On the whole the submissions reaching the committee are helpful and constructive, but by

no means could it be said that, again on the whole, they favour or suggest the adoption of a policy of free trade.

Mr. Howe (Wellington-Huron): As a supplementary question, in view of the fact that some business was for and some was against this new policy of negotiating, would a list of exemptions be submitted to the house before the GATT negotiations in May?

Mr. Sharp: Mr. Speaker, these negotiations will proceed over a very long period of time. The general position the Canadian government will take at these negotiations has been stated by me on a number of occasions, but so far we are not even sure what general position is going to be taken by the other countries participating on a linear basis. Until they have declared their position the Canadian government will not be in a position to make a response. It will be some time, I think, before we are able to make any further advance on the position I have already stated.

REPORTED U.K. PROPOSALS RESPECTING PREFERENTIAL TARIFFS

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): While we are on this topic, Mr. Speaker, may I ask the minister a supplementary question regarding the speech made by Mr. Edward Heath, the minister for trade and industry in the government of the United Kingdom. Has the minister had an opportunity to study the text of that speech which, according to press reports, is to the effect that the government of the United Kingdom is prepared to extend the commonwealth preference to underdeveloped countries? I think there is much to commend such a proposal, but I am wondering whether the government of Canada was consulted and concurs in offering this proposal to the underdeveloped countries.

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, the Minister of Trade and Commerce suggests that since I was making inquiries in regard to these consultations, I might deal with this question. There were consultations. Mr. Heath discussed this matter with our delegation and other commonwealth delegations in Geneva on April 4, and there was a discussion two weeks ago in London with commonwealth countries on the general question of preferences.

U.S. TARIFF COMMISSION FINDING RESPECTING STEEL REINFORCING BARS

On the orders of the day:

Mr. Grant Deachman (Vancouver Quadra): Mr. Speaker, I have a question for the Minister of Trade and Commerce. Would the minister comment on recent press reports regarding the finding by the U.S. tariff commission that continued sales of steel reinforcing bars on the west coast of the United States by Vancouver rolling mills would be likely to injure United States industry?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, I am aware of the recent finding of the United States tariff commission that under United States anti-dumping legislation sales in the United States at less than fair value by Vancouver Rolling Mills Ltd. are likely to injure United States industry.

Representatives of the Vancouver firm have discussed this matter with officials of my department. We are considering the implication of this finding for Canadian trade with the United States in the light of certain special features of the case, and also the question of what might be done to assist the firm to mitigate the impact of this finding on its trade with the United States.

TARIFF POLICY—INVESTMENT PROGRAM BY GENERAL ELECTRIC COMPANY

On the orders of the day:

Mr. Fred E. Stenson (Peterborough): I would like to rephrase a question which I addressed yesterday to the Minister of Industry and put it to the Minister of Trade and Commerce. My question is, what steps is the minister taking with regard to the announcement by Canadian General Electric last Thursday that tariff philosophies are not conducive to making needed investments in export facilities in Canada, and that they are setting up plants in Europe and Latin America rather than investing in export plants in this country? I feel this question is important because it relates to our exports, and the situation will certainly affect them very soon.

Mr. Speaker: May I suggest that this is certainly a question for the order paper.

EDUCATION

VISIT TO CANADA BY GLASGOW UNIVERSITY STUDENTS

On the orders of the day:

[*Translation*]

Mr. Gerald Laprise (Chapleau): Mr. Speaker, may I ask the Prime Minister a question?

It stems from a report recently published in a Quebec newspaper to the effect that more than 200 students from Glasgow university would come and work in Canada this summer.

Does the government intend to contribute in any way to the visit of those students by paying, for instance, their fare or by finding them a job?

Inquiries of the Ministry

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I have not heard this report and I know nothing about it. I shall look into it, but I think it would be very unusual indeed for the government to contribute to the expenses of a journey of this kind to Canada. However, I shall have inquiries made.

GRAIN

BARLEY—REASON FOR LOWER PRICE THIS YEAR

On the orders of the day:

Mr. Reynold Rapp (Humboldt-Melfort-Tisdale): Mr. Speaker, I would like to direct a question to the Minister of Trade and Commerce under whose jurisdiction the Canadian wheat board comes. Since the minister is aware of the fact that this is the week that final payments for barley for the crop year 1962-63 will be going out, could the minister inform the house the reason for the 15 cents lower price this year than last year, so the farmers can use this information as a guide when deciding on the kind of grain they should sow this year? This information will be very important to the grain growers in the west.

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, I would like to give a full answer to this question; therefore I would like to take it as notice.

POWER

BAY OF FUNDY—ACTION BY ATLANTIC DEVELOPMENT BOARD

On the orders of the day:

Mr. Robert C. Coates (Cumberland): Mr. Speaker, may I direct a question to the Minister of Transport. Is the minister in a position to inform the house what further action is contemplated by the Atlantic development board with regard to the harnessing of the bay of Funday tides from a power point of view, as a result of the satisfactory results of the initial investigation?

Hon. J. W. Pickersgill (Minister of Transport): No, sir, I am not in a position to make any such report now. The Atlantic development board does not feel it should take any decision until the final report is received in May.

HEALTH AND WELFARE

TORONTO—REQUEST FOR INCREASED HOSPITAL GRANT

On the orders of the day:

Mr. Reid Scott (Danforth): Mr. Speaker, I put a question to the Prime Minister on March 30, on which date he told me he might be able to make a statement after the dominion-provincial conference regarding the government's attitude toward the capital costs of hospital construction in metropolitan Toronto. Is he yet in a position to give us a statement as to the views of the government?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, we are now examining this important matter in the light of the discussion we had in Quebec only a few days ago, and as soon as I am in a position to make a statement—I hope it will not be long—I shall be glad to make it in the house.

BUSINESS OF THE HOUSE

DISCUSSION OF PROPOSED B.N.A. ACT AMENDMENT

On the orders of the day:

[*Translation*]

Hon. Paul Martineau (Pontiac-Temiscamingue): Mr. Speaker, I should like to direct a question to the Minister of Justice in his capacity as house leader.

In view of the general interest aroused by the matter, is it the intention of the minister to request, on behalf of the government, the unanimous consent of the house to reserve a whole day for a thorough discussion of Bill C-88 introduced by the hon. member for Winnipeg North Centre (Mr. Knowles) to amend the British North America Act?

Hon. Guy Favreau (Minister of Justice): I do not know whether the hon. member for Pontiac-Temiscamingue has changed his mind since yesterday, but it seemed to me that the vote given yesterday by the official opposition was sufficiently indicative of its attitude on that matter.

Mr. Martineau: A supplementary question, Mr. Speaker. Now that the minister has tried to evade the question, I would ask him to give the house an answer to the question I asked.

[*Text*]

RESUMPTION OF SITTINGS OF AGRICULTURE COMMITTEE

On the orders of the day:

Mr. Raymond Langlois (Megantic): Mr. Speaker, may I direct a question to the Minister of Agriculture. Will the committee on agriculture resume its sittings fairly soon so that we may terminate the work we had started last fall, before Christmas?

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, I would expect this committee will be set up as soon as possible. I realize there are many hon. members

anxious to get ahead with the work, and I shall make every attempt to see this is done as quickly as possible.

INQUIRY AS TO APPOINTMENT OF STANDING COMMITTEES

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Justice in his capacity as house leader, and I do so because two or three questions have already been put today about house committees. In view of the fact that the striking committee has already agreed on the apportioning of the membership among the various standing committees, is there any reason why the names of the members of those various committees cannot now be reported to the house by the striking committee?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, this a very timely question, and I am pleased to advise the house that we are waiting to obtain the final lists of names from the various groups within 48 hours.

Mr. Knowles: This has been the answer given several times. What groups have not given their lists? We have.

Mr. Gilles Gregoire (Lapointe): And we have.

[*Translation*]

Mr. Speaker, I want to ask the Minister of Justice, in his capacity as house leader, a supplementary question.

A very important committee, the consumer credit committee, was formed to which the bill has been referred.

Can the house leader tell us when the subcommittee will begin its work?

Mr. Favreau: Mr. Speaker, it is up to the chairman of that committee to call the sittings. I shall discuss it with the hon. member for Lapointe.

Mr. Gregoire: Mr. Speaker, I have a supplementary question. When will the chairman of that committee be appointed?

Mr. Favreau: Mr. Speaker, the hon. member for Lapointe will perhaps allow me to discuss it with him. To my mind, it is a matter of internal administration which would not be of general interest to the house, more particularly after the general reply I made a few moments ago with regard to the setting up of all committees.

[*Text*]

AIR TRANSPORT

USE OF CRASH POSITION INDICATORS ON CHARTERED AIRCRAFT

On the orders of the day:

Mr. Erik Nielsen (Yukon): I have a question to direct either to the Prime Minister or to the Minister of Transport based on a recent press release by the minister of northern affairs stating that crash position indicators would be required to be fitted on all aircraft contracted for in future by his department. Is it the intention of the government to adopt as a matter of policy a requirement that crash position indicators be fitted to all chartered aircraft contracted for by any department of the government?

Hon. J. W. Pickersgill (Minister of Transport): That is a question of which I would require notice. Notice having been given, I will try to get an answer.

EARTHQUAKE DAMAGE

INQUIRIES AS TO ASSISTANCE TO BRITISH COLUMBIA

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): I would ask the Prime Minister whether a request has now been received from the government of British Columbia for federal assistance in connection with the Alberni valley and west coast tidal wave disaster; and, if that is the case, whether the government will assure the people in this area that financial help will be forthcoming to assist the smaller businesses to get going again, and to assist the private individuals who have suffered very serious material loss.

I am aware of the Prime Minister's general view on this subject, but I wonder if he is now in a position to give an assurance that action will be taken immediately in this connection. Mr. Macadam looked over this area on my behalf; he has now returned and made his report to me. I think the situation there is one which demands the earliest possible assurance from the government that the people living in the area will have the benefit of everything this government can possibly do to assist them.

Right Hon. L. B. Pearson (Prime Minister): The government has already stated that it will do everything it can to assist them in a situation of this kind, and if any request is made by the government of British Columbia, with an indication of the damage and an indication, too, that this damage is beyond the means of the locality and the province to deal with, then help will be given. Perhaps my colleague the minister of northern affairs

may have had more recent information, but to my knowledge no such request has yet been received from the provincial government.

Mr. Diefenbaker: I would ask the right hon. gentleman if it is not the case that the deputy provincial secretary, Mr. Wallace, has asked the federal government for assistance and that this request was made four days ago.

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): No, sir; the deputy provincial secretary has made no request. We have received a wire from Hon. Wesley Black advising us that a firm of assessors in the city of Vancouver by the name of Earle and Associates have been appointed to make an investigation and an estimate of all damage. This report will be available, it is hoped, within a week or ten days, and at that time the provincial government will advise us further. They stated in the wire "It would appear that we will require your assistance".

May I say I have been in touch with the mayors of the two cities concerned. I have been in touch twice by telephone with the hon. member representing the riding affected. He has advised me, as have the two mayors, that everything we have done thus far, including the procrastination, if the right hon. gentleman would like to call it that, or the delay in respect of making a contribution to the disaster fund until such time as a cabinet meeting has been held by the government of British Columbia, has met with approval. All concerned have agreed that this was the best policy and have commended us on the course we have taken.

POST OFFICE DEPARTMENT

OTTAWA—FREE TRANSPORTATION OF LETTER CARRIERS

On the orders of the day:

[*Translation*]

Mr. Lucien Plourde (Quebec West): Mr. Speaker, I wish to direct a question to the Postmaster General. Can he tell us why his department intends to give two or three bus tickets a day to its letter carriers rather than having them keep on travelling free of charge on Ottawa buses?

[*Text*]

Hon. J. R. Nicholson (Postmaster General): If the hon. member would let us have particulars of the municipalities concerned we would be able to give a better answer. Let him put the question on the order paper, with particulars, and I will be glad to answer him.

[Mr. Pearson.]

COST OF SENDING NEWSPAPERS TO TROOPS OVERSEAS

On the orders of the day:

Mr. R. A. Webb (Hastings-Frontenac): I wish to direct a question to the Postmaster General. I wonder if he will give some consideration to the effect which the recently announced increases in certain postal rates have had on the cost of sending newspapers to members of our armed services overseas. I understand that the cost of sending these papers has doubled, or almost doubled.

Hon. J. R. Nicholson (Postmaster General): I shall be pleased to take the question as notice.

QUEBEC—REQUEST FOR REPORT ON MAIL TRUCK ROBBERIES

On the orders of the day:

Mr. J. A. McBain (Elgin): Mr. Speaker, I should like to direct my question to the Postmaster General. Last week several questions were asked in the house concerning the robberies of mail trucks that occurred in the Montreal and Three Rivers areas, and the Acting Postmaster General suggested that probably the minister would make a further reply on his return this week. I wonder whether the minister would give that reply today and tell us how much money was involved and just how many arrests were made.

Hon. J. R. Nicholson (Postmaster General): In view of the time lapse, Mr. Speaker, I would suggest that the question be put on the order paper.

Mr. Pigeon: The same old bunch.

SHIPPING

BAY OF FUNDY—REPORTED WATER POLLUTION BY OIL DISCHARGE

On the orders of the day:

Mr. Thomas M. Bell (Saint John-Albert): Mr. Speaker, I wish to direct a question to the Minister of Transport. In view of week end reports of serious bird killing and water pollution by oil tanker discharge in the bay of Fundy, will the minister say what action we may expect from his department and the other departments of government involved?

Hon. J. W. Pickersgill (Minister of Transport): I will see that the matter is looked into at once, Mr. Speaker.

CANADIAN NATIONAL RAILWAYS

POSSIBLE LAY-OFFS OF MAINTENANCE OF WAY WORKERS IN MARITIME AREA

On the orders of the day:

Mr. Heath Macquarrie (Queens): Mr. Speaker, I should also like to direct a question to the Minister of Transport. It is based on urgent and disturbing reports that the C.N.R. in the maritime area is now planning a revision of maintenance of way methods which will result in the loss of jobs by over 200 sectionmen. Will the minister look into this matter with a view to preventing a further increase in the already large number of unemployed in our area?

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, I will draw the hon. gentleman's speech to the attention of the C.N.R.

Mr. MacEwan: It is about time you did something about it.

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. A. D. Alkenbrack (Prince Edward-Lennox): Mr. Speaker, my question is directed to the right hon. Prime Minister and arises from the remarks made by him in the house yesterday. Does the Prime Minister not realize that his administration has deprived thus far all the 1963-64 class of 17 year old pupils of the benefits of the extension of the family allowance to those of that age still in school, because of the indecision and procrastination of the government?

Mr. Speaker: Order, please. That question is certainly out of order.

PRIVILEGE

MR. KNOWLES—STATEMENT BY MEMBER FOR LAPOINTE RESPECTING SPEAKER'S VOTE

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a question of privilege. It may seem a strange one for me to raise, but I do so in fairness to Your Honour and because I think the record should at all times be as straight as we can possibly keep it. The hon. member for Lapointe (Mr. Gregoire) earlier today said that in a division on a Speaker's ruling made in January, 1963, like the ruling that you, sir, made today, Your Honour voted against sustaining the ruling. I noticed your embarrassment at the time; you were not in a position to do any research. I have done it. The records are to be found at pages 3299 and 3300 of *Hansard* for January 31, 1963 and you, sir, did not vote either way.

Mr. Bell: Strange bedfellows.

Mr. Churchill: How did you vote?

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I want at this time to apologize most sincerely for the error I have made. I made this error by including you with the rest of the Liberal party, which as a whole had voted against the decision it made this afternoon.

[*Text*]

MR. RICARD—OMISSION OF FORESTRY MINISTER FROM DIVISION LIST

On the orders of the day:

[*Translation*]

Hon. Theogene Ricard (St. Hyacinthe-Bagot): Mr. Speaker, to keep on with these questions of privilege, I believe I should call your attention to the error that seems to have been made yesterday when the question was put, as I cannot find the name of the Minister of Forestry (Mr. Sauve) among those who voted for the motion of the hon. member for Winnipeg North Centre (Mr. Knowles). I think that the Minister of Forestry was here at the time and that an error was made.

[*Text*]

ROYAL CANADIAN AIR FORCE

REQUEST FOR REPORT ON CRASH AT PRIMROSE LAKE, ALBERTA

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, I have a question for the Minister of National Defence. Is the minister in a position to report to the house on the crash of a T-33 jet trainer at Primrose lake, killing a Canadian and an American officer, particularly as to the reason for the flight and, if he can, the reason for the crash?

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, at approximately 12 noon on April 6 an R.C.A.F. T-33 aircraft crashed at the upper end of Primrose lake, Alberta, while on a low level pacer exercise. The pilots, Flight Lieutenant Grant, R.C.A.F. and Captain Johnston of the United States air force were killed in the crash. The aircraft was destroyed.

There is no information yet as to the cause of the accident. The aircraft and pilots were at Cold Lake on detached duty from the central experimental and proving establishment, Uplands. The aircraft was on a position error calibration flight in order to test the accuracy of the instruments so that it

could be used as a pacer for F-104 aircraft. Investigation is under way to determine the cause of the accident. I am sure all hon. members of the house would wish to join in an expression of deepest sympathy for the bereaved families of the deceased men.

SUPPLY

DEPARTMENT OF JUSTICE

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

1e. Departmental administration including grants and contributions as detailed in the estimates, $10,000.

[*Translation*]

Mr. Ricard: Mr. Chairman, last night prior to the adjournment of the house, I directed a few questions to the Minister of Justice in order to clarify a situation which, I think, is detrimental to my constituency.

I am asking the minister if he had the opportunity of looking into the matter and if he is in a position to supply the information I asked of him. I think the minister has some information to give me.

Mr. Favreau: Mr. Chairman, in order to be in a position to give the hon. member an answer this afternoon, I had a talk with the officials of my department and I obtained certain information. As I expected and mentioned yesterday, I felt sure that we could dismiss political considerations as motives for the decision taken.

I know, for instance, having checked on it myself, that in the case of the Drumheller penitentiary located in the riding of my hon. friend from Bow River (Mr. Woolliams), the decision was reached by the previous government. While my immediate predecessor was pressed by certain societies and organizations to have the penitentiary built somewhere else than in Drumheller, he had taken the necessary steps to maintain the decision taken and in the same way, the reasons behind the decision concerning the penitentiary originally projected for St. Pie de Bagot, were serious.

It is clear that the decision taken by the government to build a penitentiary in Drumheller was far from being based on political arguments and, particularly on Liberal political reasons.

May I say, for the information of the house, that the construction of that penitentiary might have been delayed if there had been political decisions, but this construction will start in April 1964 and will be completed by March 1966.

In the same way I knew that the decision taken by the previous government to build a detention unit in Prince Albert, Saskatchewan, a decision by which my immediate predecessor, Hon. Mr. Chevrier, abided, was not maintained because of partisan political reasons. That decision of the previous government was maintained for serious consideration. Construction of the institution will start in June 1964 and will be completed in March 1965.

In view of those facts I was convinced that serious motives must also have determined the decision of my immediate predecessor not to proceed immediately with the construction of a medium security penitentiary at St. Pie de Bagot. Following a decision of the previous administration, two pieces of land were purchased. Since both were to be used for the establishment of two similar institutions, one in St. Pie de Bagot and the other in Cowansville, I must inform the house that construction at Cowansville of the medium security penitentiary proposed by the former government was undertaken in November 1963 and will be completed in January 1965.

Since it is the former administration that purchased two plots of land in the province of Quebec, there can be no question of political partisanship, in the case of Cowansville. As for St. Pie de Bagot, we reconsidered the decision merely because of the serious incidents which took place on June 17, 1962, in the St. Vincent de Paul penitentiary, which is a maximum security institution. It then became evident to this government that an addition to this penitentiary, or if you prefer an additional maximum security detention unit had become necessary, and this is more urgent than building a medium security detention unit.

For those reasons, my predecessor examined the circumstances and factors which had to be considered in that case; he consulted his advisors and asked them whether or not a medium security institution would be useful to supplement the staff or the available facilities at St. Vincent de Paul. Naturally, the answer was no.

Then the question arose as to whether another maximum security penitentiary should not be built instead of that medium security institution. It became clear, on examining the relevant circumstances and factors, that such a thing would be extremely dangerous, because of the relationship which would necessarily exist between the St. Vincent de Paul complex and that additional complex. Well, to establish a system in the public interest, this additional complex would have to be situated, not on the south but on the north shore of the St. Lawrence and this sufficiently near St. Vincent de Paul to avoid any possible danger in the regular transportation of prisoners at least from an institution

to another, or from the institution to the courthouse or elsewhere in the institution.

It is clear that as far as convicts which have been given comparatively stiffer penalties are concerned, if the institution were situated on the south shore of the St. Lawrence, it would be a constant threat during transportation, because it is obvious that it would be a frequent and I would even say a constant invitation to underworld characters, to try to escape, or to facilitate the escape of prisoners and to stop cars at any time.

It is obvious that the longer the route followed by vehicles and the more frequent the trips, that is, every day, I believe, the greater the risks I have just mentioned.

But I should like to assure the hon. member for St. Hyacinthe-Bagot and emphasize that the site at St. Pie de Bagot was not subject to a contract annulment and has not been discarded. This site is and will be preserved until it is necessary to build a medium security institution in the province of Quebec.

In the circumstances I am satisfied that the decision made to change the plans in the case of St. Pie de Bagot was no more political than the one made to proceed with the plans of the previous government in Brome-Missisquoi, Bow River and Prince Albert.

Mr. Ricard: Mr. Chairman, I thank the Minister of Justice for his information, but I think that he lacks some and I am going to prove, beyond the shadow of a doubt that the decision not to go ahead with the construction of St. Pie de Bagot penitentiary is a matter of petty politics on the part of the minister's predecessor. I am sorry to have to speak this way but the reaction from the people in my riding and the documents I have before me force me to do so and to show the house that we are confronted with patronage activities—I have no hesitation in saying it again.

May I go back a little over the background of that matter. On September 18, 1961, as I said yesterday, Hon. Davie Fulton announced the construction of a middle security prison at a cost of $4.5 million in the St. Hyacinthe-Bagot riding.

Of course many problems had to be settled before work could begin. However, Mr. Chairman, as I give you various details you will see for yourself that the Minister of Justice lacks a lot of information which I will be happy to give him.

I have here a contract signed on November 30, 1962, under which the Department of Public Works purchased four properties in the riding of St. Hyacinthe-Bagot. I also have here a letter addressed to the architect, S. A. Cyr, which reads as follows:

[*Text*]

Dear Mr. Cyr:

I wish to confirm our telephone conversation and the discussions that you held with Mr. Simpson, at which time it was intimated that the originally intended young offenders institution is now in abeyance.

The department requires the services of a consultant to develop sketch plans and to prepare working drawings and specifications for a proposed maximum security camp and I would like to have your formal acknowledgment that you are prepared to undertake this work.

This was accepted by Mr. S. A. Cyr. Then there is another letter I want to place on the record. It is dated March 1, 1963, and reads in part as follows:

The original announcement that was made was, as you recall, to the effect that the institution to be constructed at St. Pie would be designed to accommodate 450 inmates and would require a staff of from 150 to 175 officers. Events since that announcement was made (including the disturbance that occurred at St. Vincent de Paul penitentiary in June, 1962) have made it necessary to reconsider the program that was originally planned for this area. Let me say, however, that the reconsideration that has been involved is not designed, in any respect, to decrease the size of the operation that was originally planned. The operation will be at least as large as was originally contemplated and, if any changes are required, they will be designed to increase the size of the operation.

Here we have in black and white the fact that it was the intention of the department to build such an establishment at St. Pie. I know the minister has spoken in good faith. He comes here and stands up and says that the situation is contrary to what I have stated. He speaks in good faith but I say he has not got all the information he should have, and I am glad to supplement the information he needs. In a letter dated January 23, 1963, there is the following:

Construction is to start within three months on the first phase of the project—the construction of facilities to accommodate the more hardened criminals from St. Vincent de Paul institution. Within 15 months construction will start on the main institution along the lines originally proposed.

These are the facts, Mr. Chairman, and I am sorry that the minister did not have all the information he needed to have in order to establish the facts as they are before the committee. There is another letter dated April 10, 1963, from Mr. Cyr which reads in part as follows:

Kindly consider the present as my acceptance of the terms of employment of consulting architects as issued by the Department of Public Works of Canada.

I have here a copy of the terms according to which the architect was supposed to act on this project.

[*Translation*]

To end my remarks, Mr. Chairman, I have here a letter dated May 1, 1963, which reads as follows:

Mr. S. A. Cyr,
Architect and engineer,
490 St. Anne Street,
St. Hyacinthe, Que.

Dear Sir:

I have just received a phone call from Mr. Simpson asking that any work related to the proposed penitentiary in St. Pie be stopped.

That is dated May 1, 1963 and clearly indicates that this project for the building of a penitentiary at St. Pie de Bagot was suspended in the first weeks after the present government came into office.

I have said and I repeat, Mr. Chairman, that we are faced with a disgraceful problem of patronage, as only the members opposite can create.

Mr. Chairman, if you want further proof that the employees of the department concerned had decided to build a penitentiary at St. Pie de Bagot, all you have to do is to look over the site where you will find at each end of the piece of ground which was reserved for the construction of that institution, a huge sign about 12 feet by 12 feet, on which one can read: "Here a penitentiary will be erected". And there you will find the names of the then minister and deputy minister. But, strangely enough, immediately following the election of April 8, 1963, an artist—or rather a painter—was sent there to remove the name of Hon. Mr. Fleming and replace it by the name of Hon. Mr. Chevrier. As far as the name of your humble servant is concerned, it was merely painted over and a blank space left in its place.

Perhaps it is childish, but it shows the state of mind of the Liberals.

Mr. Favreau: Mr. Chairman, would the hon. member allow me a question?

Mr. Ricard: Certainly.

Mr. Favreau: Would the hon. member agree with me that after April 22—not after April 8 last—Hon. Davie Fulton, no more than the hon. member for St. Hyacinthe-Bagot—for whom I have great esteem—could hardly claim to speak on behalf of the government?

Mr. Ricard: I wonder, Mr. Chairman, whether the minister rose to ask me a question or whether he merely attempted to smother the flame. Yet he should know that it is easily lit up again.

In concluding I may say that last year I tried over and over again to get information on the intentions of the government.

I always received evasive answers. Yesterday I tried to draw the minister's parliamentary secretary into the discussion. It is peculiar that he was here yesterday but is not here this afternoon, when he could justify the answer he gave. In any case, last year I was completely unable to get any information on the intentions of the government. However, by a fortunate conjunction of circumstances I received a specific answer last Friday. I may thank the Minister of Public Works (Mr. Deschatelets) for sticking his nose where he should not have, but he told this house that the matter of the St. Pie de Bagot penitentiary was definitely settled, that the problem was definitely disposed of, that there was nothing more contemplated there. And yet, even today, the Minister of Justice says that that land is kept for future use.

Mr. Chairman, I wish to call the attention of the house to the fact that public funds were used for that purpose. A sum of $83,000 was spent to purchase land on which to build a penal institution. Professional people were paid to make studies in that connection. And then everything was cancelled, just to punish the electors of the riding of St. Hyacinthe-Bagot because they had dared to send a Progressive Conservative member to the house.

This is no way to curry favour with citizens of St. Hyacinthe-Bagot. The citizens of this constituency are more and more set against the government and they only wait for an opportunity to prove, once more, to those who laughed at the people of St. Hyacinthe-Bagot, that they have a long memory and will remember the very undemocratic attitude the Liberal government showed while it was supposed to re-establish on stronger basis the relationship between the citizens of the country.

I may say it is not the proper way to promote goodwill between the citizens of a country. I may add that by cancelling the decision of the former government to build this penitentiary institution, public money has been used to try to promote in a partisan way the interests of a political party which is becoming more and more unpopular among the people.

I am looking forward to the day when the population of St. Hyacinthe-Bagot, and more particularly that of St. Pie, will have an opportunity to prove publicly to the government what they think about its administration.

Mr. Favreau: Mr. Chairman, I still maintain what I said, but nevertheless I consider the speech of the hon. member to contain a very serious charge of discrimination against himself and the hon. members for Prince

Albert (Mr. Diefenbaker), Brome-Missisquoi (Mr. Grafftey), and Bow River (Mr. Woolliams).

Mr. Ricard: Mr. Chairman, I maintain the charge I have laid. The fact that penitentiaries have been built in three or four ridings does not mean that there has been no injustice in my own constituency. I still contend that serious injustice has been committed against the people in my riding.

[*Text*]

Mr. Fairweather: Mr. Chairman, last week the Minister of Justice was in Quebec helping to set up a committee when several members, including the Leader of the Opposition, discussed—

Mr. Favreau: I do not want to raise a question of privilege here, but last week I was not in Quebec. I was detained here throughout last week by the hon. member for Edmonton-Strathcona.

Mr. Fairweather: I am sorry; the minister was not in the house, then, when the matter of moving the federal women's prison to Cornwall was discussed. I thought he was taking part in the setting up of the committee, but perhaps he wishes to dissociate himself from that frustrating week—that is, a frustrating week in Quebec, not here.

However, I want to discuss this change in the location of the women's prison. I want to do so calmly, and I want to do so factually. The relocation was announced as a "gift to the people of Cornwall" by the former member for Laurier, Hon. Lionel Chevrier. I think anyone interested in penology or penitentiary reform was as disappointed as I was, and I am sure all hon. members were, at this change of direction in the penitentiary service. I want to make a comment or two about it.

It has been suggested that this was a blatant example of pork barrel politics. These descriptive words are not mine, as a matter of fact, but are from a *Globe and Mail* editorial on the subject. The Toronto *Star* puts it just as directly in an editorial on March 11 which is entitled, "The Patronage Prison". Both the John Howard Society and the Elizabeth Fry Society have protested the Cornwall site in telegrams to the Prime Minister. I should like to quote from the Toronto *Star* editorial which says that the site is unsuitable on at least three grounds:

> It is too far from the homes and families of the inmates, making visits an expense and a burden. The new prison would be 275 miles from Toronto where 33 of the present 122 inmates at the prison for women at Kingston formerly lived.
>
> There are no Canadian universities or social research centres nearby. The nearest is Montreal, 75 miles away.
>
> There are no psychiatric facilities nearby and no psychiatrists.

The editorial goes on to make the following three points:

> First, the minister could refer to the Archambault report on prisons which recommended that the jurisdiction over female prisoners should be entirely provincial so that they can be kept in prisons closer to their homes.
>
> Second, rather than building one prison for all of Canada's female prisoners, three smaller prisons might be built, one in the west, one in Ontario and one in Quebec.
>
> Finally, if the decision to build only one central prison is irrevocable, let there be a new women's prison at Kingston, where there has been a tremendous community interest in prison work, where there is a climate of social research and where the academic facilities are available.

I would like to submit that the decision to move to Cornwall was expedient politically but had no justification in good penology practice. It ignores a thoughtful review of criteria for prison location and structure by the Canadian corrections association, dated March 18, 1963. This association, which is a branch of the Canadian welfare council has this to say:

> The Canadian corrections association is the national private organization that provides facilities for the inter-disciplinary study of problems associated with crime and delinquency, and for the exchange of information and ideas among those concerned with these major social issues.
>
> The association's membership is made up of staff and board members of the wide range of services in this field: adult and juvenile, institutional and non-institutional, public and private; faculty members from the various university departments; and interested members of the public.

I do not suppose the former hon. member for Laurier was a member of the Canadian corrections association.

> As part of its function, the association is directly interested in the developments in Canada's prison system that have occurred so rapidly in recent years—

I am going to interpolate here that this decision to go to Cornwall would be a direct contravention of the good practices set out in this blueprint. In its recommendations the Canadian corrections association has one statement of general principles that I would like to put on the record. It says:

> Any building should be designed to serve the program for which it is intended. A prison should be designed to give expression to modern treatment concepts.

It further says:

> An examination of what is involved in treatment is set out in the standard minimum rules for the treatment of prisoners and related resolutions adopted by the first United Nations congress on the prevention of crime and the treatment of offenders, August 30, 1955.

This group certainly would not approve any move to Cornwall on grounds of alleged expediency.

> Prisons should be located within the limits or in the immediate vicinity of a major centre that has appropriate clinical facilities; it is an added

advantage if the centre also has a university. At the same time, it is desirable to avoid locations where the institution will be surrounded in a few years by a housing development.

The association lists several criteria, and I am going to read only the ones that are particularly germane to this prison.

1. It should be in a location to attract and hold competent staff.

2. An urban setting prevents the staff from becoming ingrown. This is a serious problem and, with all due respect to Cornwall, is one that might occur when the prison personnel are isolated, so to speak, from the stream of thought that would be provided in a location such as Kingston or a university centre.

3. Community facilities, such as clinics, hospitals, technical schools, universities, etc., should be available, and it is again obvious that there is no university complex in Cornwall.

4. The prison can be used for the field placement of university students, students in medicine, psychiatry, social work, psychology, law, sociology and theology. All these things are available in the city of Kingston but none of them mentioned in the list of criteria are available in the politically expedient location of Cornwall.

5. The institution and the university can work together conveniently in research, and then there is the one I mentioned earlier that has been referred to by the editorial writers.

6. Visiting by relatives of inmates is easier.

There is one other aspect of this criteria blueprint that I would like to discuss, and that is the size. The Canadian corrections association says:

The appropriate size for an institution depends on the program and the type of inmate for which it is intended—

—but it should be—

—as small as possible.

Here is a perfect example where three small institutions across Canada could fit perfectly into the criteria set up by the best opinion in Canada.

The hon. member for Prince Edward-Lennox participated in this debate the other day, and since then he has handed me a copy of a letter that the Kingston-Quinte branch of the Canadian association of welfare workers has sent to the Minister of Justice, dated March 30, 1964. I propose to make this letter part of the record:

Dear Sir:

The Kingston-Quinte branch of the Canadian association of social workers passed a unanimous motion at their last meeting that I should communicate to you our concern about the proposed move of the prison for women from Kingston to Cornwall. This group is composed of the majority of the professional social workers practising in the counties of Frontenac, Lennox and Addington, Hastings and Prince Edward. Our concern in this matter is with the part played by adequately qualified professional staff in any program for the rehabilitation of the prisoners.

We are quite aware that the plant and facilities at the prison for women are not appropriate for their function and that a more suitable building or buildings might be provided in the future.

However, in face of considerable physical difficulties, the prison for women at Kingston has assembled a treatment staff which has made substantial improvement in the rate of recidivism of women drug addicts. This staff would be dispersed by such a move, and the very valuable experience of the after-care program which has been built up over many years, would be lost.

Again I am going to interpolate that I do not think this loss is worth the political expediency of the move.

One of the advantages of the present situation has been the availability of consultation with the university, which provides a school of law and of medicine, and the opportunity to take advantage of the very extensive psychiatric services available in this community. None of these advantages exist in Cornwall, and we think these matters are very important in deciding the appropriate location of such an institution, if the emphasis on a program of rehabilitation is to be continued.

I believe there are very careful statistics available to document the improved outcome of the present treatment program, which should be given serious consideration. We think it is appropriate as a professional body, to bring this aspect of the situation to your attention.

The letter is signed, "Elizabeth J. Grey, B.A., M.S.W., President, Kingston-Quinte branch, Canadian association of social workers".

Here we have three groups, divorced as it were from the daily political activities of certain people, the Canadian welfare council, the Canadian corrections association and the Canadian association of social workers who make a compelling case against this change, and I urgently request the minister to follow the lead of a former minister of justice, Hon. Mr. Fulton, and recognize that in penology, as in many other aspects of our activities, the winds of change blow.

Mr. Howe (Wellington-Huron): In view of the fact that a fairly general discussion has taken place on this particular item, I should like to bring to the minister's attention a question that has arisen in my riding in connection with the lawyers appointed to look after Farm Credit Corporation business and to administer the—

Mr. Favreau: Mr. Chairman, the only justification—

Mr. Howe (Wellington-Huron): I will only be a short time, and in view of the fact that a general discussion has taken place I think it is quite right for me to bring this up.

The Deputy Chairman: Is the minister rising on a point of order.

Mr. Favreau: Yes, on a point of order. If we are to have a minimum of order in the somewhat extraordinary type of discussion of the present supplementary estimates I think, short of abrogating it, we shall have to apply, so that it will retain a minimum of meaning, section 2 of standing order 59 which states:

> Speeches in committee of the whole house must be strictly relevant to the item or clause under consideration.

The only reason why, by some stretch of the imagination, the discussion which has taken place with respect to penitentiaries could possibly be justified was because the first item claimed is an amount of $10,000 in respect of the grant to the Canadian corrections association to assist in defraying the expenses of the fifth international criminological congress to be held in Montreal in 1965. The Canadian corrections association happens to be concerned with penitentiaries; that is the only pretext which could possibly be used as a basis for the discussion which was carried on here on the first item. I wish to repeat that we are dealing now with supplementary estimates, and the only part of the first item with which we are concerned is this question of the right to contribute a grant of $10,000 to the association. We are not concerned in any way with the general administration of the department. I submit, with respect, that if we are to terminate the study of these estimates there must be some limits, vague as they may be, within which the discussion ought to be contained.

Mr. Diefenbaker: The Minister of Justice conveniently forgot the actual wording of the particular vote with which we are dealing—"Departmental administration including grants and contributions as detailed in the estimates". This item concerns departmental administration and it happens that the particular item to which the minister referred is included. I have the strongest possible objection to the stand taken by the hon. gentleman in this connection. The item "departmental administration" always allows for a general discussion, however distasteful or inconvenient it may be to the government. I wish to make it very clear that we are asking for the right to discuss departmental administration, and when you make your ruling, Mr. Chairman, I want you to take these representations into consideration because we do not intend to be circumscribed by the caprice of the minister, or by his desire not to discuss certain matters which we consider to be of paramount importance.

I seldom rise on occasions such as this, but I wish to point out that it is difficult to get answers from this government. Day after day we hear interventions from members opposite: Put it on the order paper. I simply point out, once more, that when we do put questions on the order paper they are often conveniently forgotten. Questions are passed as orders for return—we never hear anything more about them. I think there are 25 orders for return which have been passed by the house but which have never been brought down. There are ten from last session.

Mr. McIlraith: Would the right hon. gentleman permit a question? Can he explain, for the benefit of the rest of us in this chamber, what relevance that has to the point of order which has been raised as to whether or not a general discussion on a certain item is in order?

Mr. Diefenbaker: Yes. Every time anything is brought up which the government does not like, or which the government does not find convenient, members on the other side immediately raise an objection. That is the relevancy. With the strongest possible emphasis I say that the words "departmental administration including . . ." allow for the fullest discussion.

Mr. Favreau: On a point of order, may I say I have too much respect for the right hon. gentleman not to realize that he is not unaware that the only reason why the title in darker letters is there is because, in the main estimates, the grant we are seeking the right to make is contained, or would be contained, under the item "departmental administration". Surely, the principle which allows members of all parties to discuss all aspects of the administration of a given department under the first item is one which applies only in the case of the main estimates, because the committee is dealing there directly with the question of the administration of the department in all its aspects.

The only matter which is raised here is the vote itself, not the title in dark letters. If it were otherwise we would be justified in discussing on this item the whole question of the R.C.M.P., for example; we would be allowed to deal with all questions which concern litigation between the government and other individuals or groups. In other words, under the guise of considering a grant to the Canadian corrections association we would be able to discuss all aspects of the affairs of the department.

I wish to point out, too, that it is only fortuitous that in this case the grant we seek leave to make is placed under the first heading, because in the case of many other departments the first supplementary

vote required is not listed under what is normally the first item of the main estimates.

Mr. Howe (Wellington-Huron): I brought up this question with regard to the Farm Credit Corporation because it concerns the administration of the department as mentioned in the vote before us. Spring is coming on. We have not seen any main estimates. We have not had a supply motion. The estimates of the Department of Justice are not before the committee as yet.

Mr. McIlraith: Yes, they are.

Mr. Favreau: They are tabled.

Mr. Howe (Wellington-Huron): Yes, but they have not been brought forward for discussion.

Mr. McIlraith: How can they be? We cannot get this through?

Mr. Howe (Wellington-Huron): Yes, but there is the question of urgency. The spring is coming on. I should like to hear your ruling, Mr. Chairman.

Mr. McIlraith: Before a ruling is made I should like an opportunity to be heard, particularly with reference to the remarks made by the Leader of the Opposition.

Mr. Ricard: Is this expediting the business before the committee?

Mr. McIlraith: Yes, it is expediting the business before the committee. I rise only in an effort to do so, because I have some concern for the way in which the business of the house is carried on and I think the hon. member, if he would grant himself a moment in which to think, would agree with me that I do not usually take up much of the time of the house. When I do speak it is because I believe I have something to say which is of interest. I hope my remarks now will be in that category.

The point made by the Leader of the Opposition was that under item one, administration, it is proper to have a wide discussion on all matters affecting the department concerned. As a general proposition that is true enough; but the essential point, the point with which the right hon. gentleman did not deal, is that this latitude applies only with respect to the main estimates which amount, under this heading, to some $2 million. It has been traditional to have a general discussion on the administration item in the main estimates, but the practice with regard to final supplementary estimates has always been very different.

Mr. Diefenbaker: No.

Mr. McIlraith: Supplementary estimates usually provide merely for adjustments in amount because of the difficulty of estimating at the beginning of the year precisely what expenditures will be required by the end of the year, or else they are introduced to provide for new expenditures which have become necessary.

They comprise in the main, with one or two exceptions, items that are by way of adjustment. The practice with regard to supplementary estimates has been—and this will be found by anyone who checks over the record—that they take a very short time in the House of Commons.

Mr. Churchill: Will you look at the record for 1962? You spent 25 days on the estimates.

Mr. McIlraith: Mr. Chairman, if the hon. member for Winnipeg South Centre would just contain himself and show his usual good nature until I finish my remarks, he will find that I shall have dealt with that subject. The practice has been that they take very few hours debate in the House of Commons. I think this is the thirty third session of parliament I have attended as a member of the House of Commons, although I am subject to correction as to that number. I did some research the other day on the question of the time taken on the final supplementaries. I am sorry I have not the sheet here with the precise figures on it, but the hon. member will find that in the last ten years in no case, with one exception, were the supplementaries ever called on more than two different sitting days of the house. The hon. member will find that is the case. With regard to the one exception to which I referred, he will find that there were something like eight to 10 days taken up and he will find, if he examines the record of the debate, that the reason that amount of time was taken on the final supplementaries that year was that the government of the day refused to submit a budget to the House of Commons to be debated, and refused to give any commitment to the House of Commons to let them discuss the main estimates; so that the traditional place for this kind of discussion, namely the budget or the main estimates, was denied the House of Commons. That being the case, the house in its wisdom took, I have forgotten whether it was eight or 10 days—

Mr. Diefenbaker: You took 25 days.

Mr. McIlraith: —to get a debate on that subject in order to have the kind of discussion or control of the financial policy and expenditures which is a traditional right of the House of Commons. That is the essential difference between what the Leader of the Opposition says and what the practice is. The practice is that speeches in committee of the whole house must be strictly relevant to the

item or clause under discussion—that is to be found in standing order 59(2)—and the item under discussion is a $10,000 item.

Mr. Diefenbaker: No; it is departmental administration.

Mr. McIlraith: It is concerned with a particular grant to a particular association; that is the supplementary item before the house. The discussion the Leader of the Opposition is seeking to have is one that would have been relevant and proper when the item of $1,378,000 was before the committee of the whole. I believe that is the correct practice to be followed. Since already these supplementaries have now been before the committee of the House of Commons for 11 days or on 11 different days, I would hope that the committee would see fit, consistent with its thorough examination of the item, to permit the house to deal with the main estimates, the six supply motions and the remainder of the budget debate which is pressing and urgently requires the attention of this chamber.

[*Translation*]

Mr. Gregoire: Mr. Chairman, I carefully listened to the remarks of the Minister of Justice and of the right hon. Leader of the Opposition. I have to recall that before starting to consider the supplementary estimates, it had been agreed that when the first item of each department was called we might have a general discussion on the administration of the department. This may seem surprising, because the first item provides only the addition of $10,000 to the estimates of the Department of Justice.

I also would like to point out that those of us who have been here, in this house, for about two years, never yet had the opportunity of considering the budgetary estimates of the various departments. When the Conservatives were in power—and the Liberals will recall it, I am sure—we never had the opportunity of considering the estimates provided by the government. We never had the possibility of expressing an opinion in a discussion of the various departmental estimates. Since the Liberal party has been in power, it is the same thing. The estimates were submitted to the house last year at the very last minute, on the 17th or 18th of December, when we had stated our intention of adjourning the session during the holidays. We were asked to vote those estimates in just a few hours or, perhaps, a few days.

We have now been sitting for two years in this national parliament, and we are told that, under our democratic system, the opposition may scrutinize the estimates and criticize the general administration of the government. It is our third session here and we are again told that we have to pass all that in a hurry, even without having had the opportunity of criticizing the administration of the various departments.

Well, Mr. Chairman, I claim that an undertaking was entered into when we first started discussing these supplementary estimates. We never had the opportunity to examine and to comment in general on the administration of the various departments, and I suggest quite logically that, at this stage, when we have before us item No. 1e, we should have the right to discuss it.

Mr. Favreau: Would the hon. gentleman quote this undertaking or tell us where it is reported in *Hansard*?

Mr. Martineau: I have it here, and if the hon. gentleman—

Mr. Gregoire: I shall let the hon. member quote it rather than lose time.

[*Text*]

Mr. Martineau: Mr. Chairman, in answer to what the Minister of Justice has just asked, there was a suggestion made by the hon. member for Winnipeg North Centre at the beginning of the study of the supplementary estimates. He said:

> —namely that we should agree to take the supplementary estimates item by item and that there can be a general discussion on the first item of any department.

To that the Chair answered:

> These are very interesting remarks, and I would go along and suggest that the committee should go along with the last statement of the hon. member for Winnipeg North Centre.

That being so, the general discussion is permitted by the very ruling of the Chair at the beginning of the study.

Some hon. Members: Five o'clock.

Mr. Gregoire: Mr. Chairman, I rise on a point of order.

Some hon. Members: Five o'clock.

Mr. Gregoire: Mr. Chairman, I was on a point of order.

The Deputy Chairman: Order. It being five o'clock, it is my duty to leave the chair in order that the house may proceed to the consideration of private members' business pursuant to section 3 of standing order 15.

Progress reported.

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

British North America Act

BRITISH NORTH AMERICA ACT

ABOLITION OF THE SENATE

Mr. Stanley Knowles (Winnipeg North Centre) moved the second reading of Bill No. C-88, to amend the British North America Act, 1867 (abolition of the Senate).

He said: Mr. Speaker, I am grateful to the House of Commons for the opportunity this afternoon to move the second reading of this bill, which would seek to amend the British North America Act in such a way as to abolish the Senate. I am grateful to the house, I may say, for the decision made yesterday on first reading, although I confess I was surprised that an attempt was made to prevent a member from introducing a bill. However, this attempt was overcome by a majority vote, in line with the tradition of this parliament whereby leave to introduce a bill is automatic, followed by first reading so that members may have the opportunity to read the printed bill and to see what it is all about.

Mr. Aiken: Mr. Speaker, on a point of order, I think the hon. member, knowing the rules so well, will appreciate that comment on a vote held on a previous occasion is not permissible.

Mr. Knowles: Well, Mr. Speaker, I think that welcoming a vote on a previous day is hardly out of order. I am also delighted, as a result of the discussion which took place yesterday, that the house agreed unanimously to permit this bill to be placed at the top of the list of public bills and thus be called for second reading today. As I listened to the words of the Leader of the Opposition (Mr. Diefenbaker) yesterday, when he gave on his party's behalf unanimous consent, and as I read those words in *Hansard*, I felt he had committed this house to a moral obligation. He said that he and his party were prepared to give the required unanimous consent so that members of the house could stand up and be counted as to where they stand on this legislation. Therefore I feel that hon. members, having agreed to the debate this afternoon, are under a moral obligation to permit this bill to come to a vote and that they should not engage in talking it out. If that should happen, or if that should be threatened, I trust that at six o'clock there will again be unanimous consent to this bill's retaining its position at the top of the list.

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

Mr. Knowles: Yes.

[Mr. Speaker.]

Mr. Martineau: Does he consider that within the sphere of one hour there can be an exhaustive discussion of this important bill?

Mr. Knowles: I recognize the difficulty of this being accomplished within one hour, but those were the terms stated by the Leader of the Opposition when he agreed to unanimous consent yesterday. I think either one of two things should be done. Either a vote should be allowed before six o'clock, or else more time should be permitted so that a vote can be taken on this issue. I agree with the Leader of the Opposition that this bill should not be talked out but that arrangements should be made so that members can stand up and be counted, giving an indication as to where they stand on this issue.

I also want to express the hope that on this very important issue we might have, in all parties if you please, what is sometimes referred to as a free vote. In other words, I hope we will not necessarily divide along party lines; and in particular if there are those on the government side who feel that they cannot vote for the principle of this bill by voting yes on second reading, that the other members on the government side will be free to vote for it if that is their view.

I want to say quite readily, Mr. Speaker, that I gave notice last Friday night of the introduction of this bill and I have brought it in at this time because the whole question of the Senate as a part of our parliamentary set-up has been brought into sharp focus by recent events. But it is not only because of recent events that I have introduced this bill. As hon. members know, the proposed abolition of the Senate is in the platform of the New Democratic party, and apparently I shall have to send a copy of the platform to a friend of mine in the other place who was under a misunderstanding last night.

As hon. members also know, many of us in all parties in Canada—and I can tell that this is so from the telegrams and messages I am getting at this time, many of which are from both Liberals and Conservatives—feel that this is a fundamental issue: Should our parliament have in it a body which has an equal say with the elected representatives, when the members of that body are not elected and are not responsible to the people of this country?

That is the basic issue. Are we really a democracy? Do we stand by the principle that the laws of a country should be made only by those who are elected by the people? If I make a mistake in this House of Commons, or if I vote the wrong way, or if I hold up parliament, I am responsible to the people of Winnipeg North Centre. I have to go back to them at the next election and face their

judgment. But a gentleman in the other place can stand up and do something which does damage to many people across the country, and he is responsible to no one, not even to the person who recommended his appointment to that place. I suggest that there is a basic inconsistency in that position and that in this day and age our parliament should consist only of those who are elected by the people and who are responsible to them.

It is sometimes argued—in fact it is put up as the last argument for the retention of a non-elected second chamber in our parliament—that this was part of the original arrangement and was provided as a protection for minorities, particularly as a protection for the provinces of this country as such. I think the answer to that is to ask what the Senate has done to protect the rights of the provinces. What has the Senate done to protect minorities in this country? Any protection that has been provided either to the provinces or to the minorities of this country has been provided by parliament as a whole, through legislation emanating from this elected House of Commons, or by the courts.

Yesterday, Mr. Speaker, despite the fact that on first reading no debate was possible, certain debate did arise on a point of order, so that we have been given a preview of some of the arguments against this bill. One of the arguments made was that the bill is unconstitutional; that we do not have the right to amend our constitution in this way. You sir, in my view made a proper ruling when you indicated that it was not the function of the Chair to rule on constitutionality. After all, sir, if you started doing that your life would be a busier one than it is already.

Mr. Nielsen: Would the hon. gentleman permit a question? Could he tell the house what hopes he anticipates his bill has of passing the Senate?

Mr. Knowles: I am coming to that in a minute if my hon. friend will let me. As I was saying, the question of deciding on the constitutionality of every piece of pension legislation or family allowance proposal, or anything of that nature, is surely not a function for Your Honour but must be a function for the courts.

It is my submission that under section 91A of the British North America Act parliament has the right to amend our constitution with respect to matters exclusively federal. We do from time to time amend our constitution as to the representation in this house among the provinces. We have taken steps to try to amend the constitution with respect to the qualifications of senators. I submit that this is a federal matter and that we have the right to make such an amendment in parliament.

It has been suggested as part of the argument against this bill that it is unilateral; that it is an attempt on our part, on the part of the House of Commons, to abolish the other place. I thought we had the *reductio ad absurdum* when it was suggested that, if that is the case, the Senate could bring in a bill to abolish the House of Commons. Surely it should be clear to all members that this is not a unilateral action on our part. This is a bill which to become law would have to be passed by this house and the Senate, and would then have to receive royal assent; so it is not unilateral action but parliamentary action.

Mr. Diefenbaker: Would the hon. member allow a question. Would it not also require the consent of the provinces?

Mr. Knowles: That question is an assertion by the Leader of the Opposition, backed by some of his supporters. I am equally entitled to make the assertion that under section 91A it is not necessary to have the consent of the provinces to amend the constitution with respect to matters which are exclusively federal. Indeed, I ask the Leader of the Opposition, did he get the consent of the provinces before he proposed to amend the British North America Act with respect to the age of senators?

Mr. Nowlan: Will the hon. member permit a question?

Mr. Knowles: I am asking the Leader of the Opposition, who is making no reply.

Mr. Nowlan: Will the hon. member permit this question? Does he not recognize a difference between abolition and a change in age? So far as the provinces are concerned, is there not a difference between whether a senator is 74 years and 11 months or 76 years old and whether the Senate is to be abolished entirely? The whole question of abolition goes to the root of the constitution of the country.

Mr. Knowles: I think the direct answer to the hon. member's question is no; it would not make any difference to a province so far as those two points are concerned. I have to watch my time, Mr. Speaker, for I have only 20 minutes. The hon. member for Yukon (Mr. Nielsen) wants to know whether I think the Senate will pass this bill. I do not imagine that the Senate would pass this bill, certainly in today's atmosphere, if this house were to pass it, but I say to him and to the country that if the House of Commons passes a bill like this and the Senate defeats it, and if the House of Commons passes it again and the Senate defeats it, and if this goes on, and then there is an election, the Senate will

come to realize that the will of the people must be recognized and such a bill would be passed. The only way you get something like this done, the only way you get any reform, is by starting it. That is why I am not a Conservative. I believe in looking forward.

An hon. Member: Just a Liberal.

Mr. Knowles: That of course is nonsense. Yesterday the hon. member for Edmonton West (Mr. Lambert) suggested that my bill was improper because it would not protect the provinces from the point of view of the number of members they have in the House of Commons. He pointed out there are certain floors in the British North America Act with respect to membership in this house which are based on the number of senators that the provinces have in the other place. That has been the law since 1915. I suggest it was downgrading the Senate to say that is all it is, a body to provide certain numbers below which the numbers in this house will not fall.

Mr. Lambert: What a specious argument.

Mr. Knowles: The fact is that in my bill there are clauses that protect the representation of the provinces in this house on the basis of the number of senators that a province had in the other place on the last day of the Senate's existence.

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

Mr. Knowles: Make it fast.

Mr. Martineau: In view of the fact that the bill purports to amend section 133 of the British North America Act does the hon. member think this article can be amended unilaterally as proposed in the bill?

Mr. Knowles: Mr. Speaker, we are not on the clauses of the bill, but this is a very important point that the hon. member has raised. In so far as the bill amends any of the sections of the British North America Act other than the first one it amends, it does so consequentially. It does it only by taking out references to the Senate. The amendment to section 133 of the British North America Act makes no change of substance in section 133 as it now stands. All it does is to delete references to the Senate, the Senate having already been abolished by an earlier clause of my bill.

Mr. Martineau: The hon. member knows this will set a precedent—

Mr. Knowles: The hon. member knows I have only 20 minutes. It has been said in various ways that we have no right to take this action. In reply to that I should like to point out that at least two of the provinces of Canada have taken by themselves the kind of action that is proposed in this bill. I have in my hand a copy of chapter 28 of the statutes of the legislature of Manitoba for 1876. To go back to 1870 when Manitoba was constituted, it then had two houses, a legislative council and a legislative assembly, but by act of the legislature in 1876, which I have here, the upper house was abolished and the legislature of Manitoba was declared to consist of the lieutenant governor and the legislative assembly.

In the same way the province of Nova Scotia in the session of the legislature in 1928, that recently if you please, passed an act which abolished the legislative council and amended the constitution of the province. The Leader of the Opposition said yesterday that my bill would destroy parliament. That was a nonsensical observation. Manitoba did not destroy its legislature when it abolished the non-elected upper chamber; it strengthened the legislature. Nova Scotia did not destroy its legislature when it abolished its upper chamber; it strengthened the legislature. I suggest it would not destroy the parliament of Canada by one iota if we were to do away with the non-elected wing of it. We would be strengthening our parliament if we were to put it on the basis of complete parliamentary democracy.

Some hon. members have been saying that the House of Commons has been insulting the other place and my action has been characterized in certain ways. I could never say of the Senate what some people have said about it. There is just one quotation I should like to read. I will indicate its author, but I take it from page 339 of the book, "The Government of Canada", by MacGregor Dawson:

> A senatorship isn't a job, it's a title. Also it's a blessing, a stroke of good fate; something like drawing a royal straight flush in the biggest pot of the evening, or winning the Calcutta sweep. That's why we think it wrong to think of a senatorship as a job; and wrong to think of the Senate as a place where people are supposed to work. Pensions aren't given for work.

The author of those words uttered in 1942 is the gentleman who is now the senator for Carleton in the other place, my friend Hon. Senator O'Leary. That same gentleman and others have talked about the dignity that should be accorded to the Senate. I say that dignity is not something you get by having it accorded to you. Dignity is something you earn, and the Senate of Canada has not earned dignity so far as the people of Canada are concerned by the way in which it has acted in the last few weeks. It certainly did not earn dignity when it delayed to 35,000 unemployed people in this country, even by one day, payment of their unemployment

insurance warrants to which they were entitled under legislation of this country.

Some hon. Members: Oh, oh.

Mr. Knowles: My hon. friends want to put the blame on the Liberals. I will join them in putting all kinds of blame on the Liberals for their delay, their bungling and mishandling of the business of the house. But when we got down to the wire and the last day had come and the money for the payment of these warrants was not available except by parliamentary action, I say that anyone in this house or in the other place who acted as the Senate did was indulging in most undignified action. What was done deserves the criticism that has been heaped on the other place.

Some people say to me: Is there not a place for people like those who are in the Senate? Is there not a job for them to do in our Canadian set-up? I think there is. I believe there are roles for elder statesmen. I think that the kind of job which some of the senators have done in working on committees that have studied unemployment, aging, land use and other subjects have been good, have been constructive and worth-while efforts. But it is one thing to engage in a piece of research, one thing to do a job for Canada that is helpful to the elected representatives of the people, and another thing to have at the same time the right of veto or the right of delay with regard to legislation passed in this house.

Most Canadians are not aware, of course, of the fact that the Senate, unlike the House of Lords at Westminster, unlike the president of the United States with their temporary veto power, can go on year after year to the end of time, if it wishes to do so, saying no to legislation passed in this house. I raise this not as criticism of my friends in the other place, and I have many friends over there. I have known many of them when they were in this house and they are still friends.

Some hon. Members: Oh, oh.

Mr. Knowles: They meet me in the hall and I have lunch with them and we can still talk. They know, even if my Conservative friends in this house do not, that what is being discussed now is not a matter of personalities but rather a basic principle of democracy, and in that light I think the day must come when Canada will have to do certain things to improve our parliamentary set-up. We have got improvements to make.

Mr. Nowlan: May I ask one question?

Mr. Knowles: Just a minute. We have got improvements to make. I think there are real improvements that we must make in this House of Commons and in my view we on the opposition side of the house have just as much responsibility to make improvements as those on the government side. But that does not deny our right to look at the whole picture and to say to the people of Canada that we in this House of Commons think that the time has come for parliament to be put on a completely democratic basis. That is why I ask the house to consider favourably this bill which will do what we have a right to do, amend our constitution so as to make our parliament consist, as my bill says, of the Queen and the House of Commons, an elected body with final authority to legislate on behalf of the people of Canada.

Mr. Nowlan: The hon. member referred to the veto year in and year out to the end of time. I should like to ask him how many examples he can give, other than the class or kind legislation which was unfortunate, of the veto ever having been exercised. How many cases have we had since confederation? I suggest the hon. member can count them on the fingers of one hand.

Mr. Knowles: The Senate vetoed the first old age pension bill and as far as I am concerned that is enough. It has vetoed several other measures as well. I thought my hon. friend was going to ask me whether there had been any examples of their doing it year in and year out. There are not, but that is not the point. The point is that the way our constitution reads, unlike that of other bodies, they have been given the right to reject what we pass this year, to reject it again next year and to reject it in the next parliament. No parliamentary constitution should read in those terms. Those were the terms in which people believed about a hundred years ago when they drew up our constitution, but today we recognize that parliamentary democracy means that those who pass upon legislation should be responsible to the people.

Mr. Nowlan: After that speech, will the hon. member answer my question? How many times has this been done? He has referred to the old age pension legislation, and as he knows this is a dead issue now. The class and kind legislation is the only instance of which I am aware during the 15 years I have been here. The hon. member has been alleging that they do this on many occasions, and will he give examples.

Mr. Knowles: My hon. friend is putting words into my mouth. I have not stated that the Senate has exercised unduly its veto power, which it has under the constitution. In effect, of course, it did so on Friday night,

and I understand that today the Senate adjourned until April 20. It is going to be difficult for the government to suggest now that these supplementary estimates are urgent if the Senate is not coming back until the 20th of April. I suggest that just as justice delayed is justice denied, so legislation delayed is legislation denied. They are holding a whip hand over us. They are not responsible to anyone, not one man or woman over there is responsible to anyone, but we are responsible to the people who elected us. We have to go back to the people who sent us here, and I want our entire parliament to be on that basis.

Mr. John M. Turner (St. Lawrence-St. George): I hope the hon. member for Winnipeg North Centre (Mr. Knowles) will allow that there is not only a moral right to vote on issues of importance before this house, but there is also a moral right to discuss them. Within those terms I should like, with the permission of the house, to discuss this bill in as objective a fashion as I can.

First of all, I should like to say that the incident which provoked the introduction of the hon. member's bill was an indefensible action by the hon. senator from Carleton in blocking the passage of an appropriation bill which contained money for the unemployment insurance fund. I should like to deal with this particular issue first because, as I said, it was the one which impelled the hon. member for Winnipeg North Centre to introduce this issue. The hon. senator for Carleton—

Some hon. Members: Order, order.

Mr. Starr: I wonder if the hon. member would permit a question? When he said that the senator's action provoked the introduction of this bill, will he not admit that the hon. member for Winnipeg North Centre said in this house that he had this bill prepared two weeks ago?

Mr. Turner: I can only reply that the coincidence in timing as between the rejection of the unemployment insurance fund money and the introduction of this bill is too fortuitous to pass unnoticed.

Some hon. Members: Oh, oh.

Mr. Knowles: Will the hon. member permit me to inform him that both he and the hon. member for Ontario are right?

Mr. Lambert: It was a grandstand job.

Mr. Turner: I think anyone who gets a split decision from the hon. member for Winnipeg North Centre can be grateful.

I want to say to this house that the hon. senator took the wrong time and the wrong issue—

Some hon. Members: Order, order.

[Mr. Knowles.]

Mr. Martineau: I submit that the rules forbid casting reflections on statements made by members of the other place.

Mr. Speaker: I am sure the hon. member, if he refers to action taken in the other place, would make his point just as effectively.

Mr. Turner: I say with great respect that the exercise of the rights and privileges of the other place on this occasion affected human needs and human rights, and directly affected the right of the Canadian nation to pay back to the people who contributed to the unemployment insurance fund the money they needed.

Mr. Fairweather: You want a whipping boy; that is all you want.

Mr. Turner: I think the issue was put very fairly by an editorial in the *Globe and Mail* of April 6 in which it was stated that Canada failed not only in compassion but in fulfilling a statutory obligation toward the unemployed of this country.

An hon. Member: Talk on the bill.

Mr. Turner: I submit the hon. senator from Carleton could have found a better issue upon which to exercise the rights and privileges of the other house. He might have chosen a bill that was not a money bill, and one over which the Senate has no original jurisdiction.

Mr. Aiken: I rise on a point of order, Mr. Speaker. While we are discussing this question about the other place, I feel we should retain the courtesies and rules of our own house. I refer Your Honour to citation 147 of Beauchesne's fourth edition, which reads as follows:

> Allusions to debates in the other house are out of order, and there are few orders more important than this for the conduct of debate and for observing courtesy between houses.

Some hon. Members: Hear, hear.

Mr. Aiken: While the debate does concern the other place, I think we must admit that they are still in existence and we must follow the rules laid down.

Mr. Cashin: I rise on a point of order—

Mr. Speaker: I had attempted to intimate in that last observation that we should refer to the other place rather than to individuals. I am sure the hon. member has heard the suggestion made by the hon. member for Parry Sound-Muskoka and I think he has made a good suggestion.

Mr. Cashin: I rise on a point of order.

Mr. Turner: But, Mr. Speaker—

Mr. Cashin: Speaking to the point of order that has been raised, I may say that the hon. member for St. Lawrence-St. George has been referring to the collective action of the other place. With regard to the remarks of the hon. gentleman who preceded him, it was the hon. member for Digby-Annapolis-Kings who asked the hon. member for Winnipeg North Centre to make reference to the other place. You cannot have it both ways.

Some hon. Members: Oh, oh.

Mr. Turner: With all the respect I have for the hon. member for Parry Sound-Muskoka, I suggest to him it is very difficult to discuss this bill having to do with the abolition of the other place without referring from time to time to the other place.

Mr. Aiken: I only referred to the debate in the other place.

Mr. Turner: I was saying, Mr. Speaker, that perhaps the other place might have chosen a better issue upon which to exercise its privileges, in view of the fact that money bills are not within its originating jurisdiction under section 53 of the British North America Act.

Turning now to the bill which was introduced by the hon. member for Winnipeg North Centre, I am going to suggest to him that in this instance he might be throwing the baby out with the bath water.

An hon. Member: Some pretty old babies.

Mr. Moreau: I rise on a point of order, Mr. Speaker. I wonder if the hon. member for Cape Breton South would mind asking the hon. members of his party to give the same degree of attention and silence to the hon. member who has the floor that he demands in this house?

Mr. Winkler: Why don't you practise what you preach?

Mr. MacInnis: I am still here waiting for you to recognize the fact that I was on my feet.

Mr. Speaker: There was a point of order to my right. The point was made. The hon. member rose to ask a question. As the hon. member knows, the hon. member who has the floor need not give him the right to ask a question unless he wishes.

Mr. MacInnis: Mr. Speaker, on a point of order I recognize the fact that the hon. member does not have to submit to questions, but now you have recognized a point of order made on that side, with respect to the fact that I was on my feet, and I call your attention, sir, to the fact that you ruled on that point of order before I said a word, and so therefore he did not have a point of order to begin with.

Mr. Speaker: Order. If the hon. member wishes to ask a question now is the time to ask his question of the hon. member for St. Lawrence-St. George (Mr. Turner), and it is up to the hon. member for St. Lawrence-St. George to decide whether to answer it or not.

Mr. MacInnis: Mr. Speaker, on a point of privilege, I rose to ask a question of the hon. member from St. George, or whatever the constituency is, and the hon. member seated over here on this side rose to call your attention to a point of order about me recognizing the rights of other members. I would direct your attention to the fact that you said there was a point of order raised over there. That point of order had to do with my being on my feet, and I would call your attention to the fact that up until that point I had not said one word; yet you saw fit to make a ruling on the fact that I was standing up, even though I had not said one word. How could you, sir, rule on such a point of order, and why not, sir, get up and call the attention of hon. members on the opposite side to their behaviour?

Mr. Speaker: It is at times such as this that the Speaker must have a controlled manner; at least I am told so. The hon. gentleman must realize that we only have an hour for this debate, and I would ask him to forget what has gone and let us get on with the matter before the house.

Mr. Turner: It is always a pleasure to take part in a quiet, friendly debate. The hon. member for Winnipeg North Centre (Mr. Knowles) who introduced the bill neglected —I might say in a rather precipitate way—to explore the other avenues that might be open to him to achieve a more salutary performance in the upper chamber. He did not explore methods of reform. He did not explore the constitutional reforms available, nor the administrative reforms that might be discussed. Nor did he, I say with respect, deal with the constitutional problems involved in this bill and the practical consequences of it in terms of federal-provincial relations.

On reading the debates that preceded confederation, and the debates that preceded the London conference, I think it is quite clear that the purpose of the Senate was to preserve the territorial equality as between Upper and Lower Canada, and to preserve the rights of the maritimes. Anyone who takes the trouble to read those debates would find it an inevitable conclusion of such reading that neither Lower Canada nor the maritimes

would have come into confederation had the principle of equality of representation in the upper house not been achieved.

That being so, it is not merely a question of analysing section 91A of the British North America Act, as the hon. member for Winnipeg North Centre did yesterday. It is not merely a question of analysing whether the federal government, with the unanimous consent of the provinces, has jurisdiction to abolish or even reform the Senate. The question, rather, is a practical one: Whether in terms of today's Canada the abolition of the Senate, which has as one of its historical reasons and impulses the protection of territorial equality among the partners to confederation is practically possible. The question is whether the provinces to this confederation would consent to such abolition. Whether the constitutional matter is decided one way or another—and I would say there are grave doubts that section 91A of the British North America Act is wide enough within its purview to allow this bill—whether or not there is constitutional justification for it, certainly the provinces would probably take great exception to an elimination of this historic right.

I would refer the house to reports of the proceedings of the 1950 and 1951 federal-provincial conferences at which this question came up, and every province, except Saskatchewan, filed in the minutes of those proceedings their veto against the abolition or fundamental constitutional reform of the Senate without their consent. That is a matter of record in the historical documents of this country and one which the hon. member, I say with the greatest deference to his knowledge and experience, has failed to consider.

I will concede with him that in practical terms today the other place has not been the first bastion of provincial rights. The growth of the cabinet system, the way the cabinets have been chosen in Canada, representing various regions and ethnic groups, the fact that the courts have traditionally been the first protection, certainly constitutionally, of provincial rights, the fact that in terms of practical politics any federal government that persisted in acting to the detriment of any section of the country could not long survive —all this has made the traditional role of the Senate as a protector of provincial rights less valid. But, speaking in practical terms, the records of this country show that the provinces almost unanimously have objected to any step that would abolish the other place, and this is recorded in the minutes of the federal-provincial conferences.

[Mr. Turner.]

Now, looking at the records too, may I refer to a speech made in Cobourg on January 28, 1957, during the election campaign of that epoch, when the Leader of the Opposition said to the people of Cobourg that his party promised to call a conference of the federal and provincial governments on reform of the Senate, if he were to become prime minister. I would like to read his words into the record:

> We will convene a conference of the dominion and provincial governments and on the basis of its recommendations will make the Senate an effective instrument of parliamentary government.

Mr. Aiken: May I ask the hon. member what date that was?

Mr. Turner: January 28, 1957.

Mr. Greene: That was the vision.

Mr. MacInnis: Mr. Speaker, as the hon. member has seen fit to answer a question, probably he would answer another. Would the hon. member take time out to read the *Hansards* of the other place, and for his own benefit read the last paragraph of the April 1, issue, page 258 and, having read it, will he reconsider his opening remarks?

Mr. Turner: Mr. Speaker, I might say in answer to that question that I have read the words the hon. member refers to, and perhaps on this he could take time out.

Mr. MacInnis: Would the hon. member now identify the person who made the remarks?

Mr. Turner: There are two pages that the hon. member refers to.

Mr. MacInnis: I referred to one paragraph.

Mr. Turner: I would like to proceed with my argument. The basis of what I would like to say here is that the other place—and here we have a puzzle, what I once called a conundrum in this country—that the other place must either be given an opportunity of exercising a useful role in the parliamentary system, to exercise in Sir John A. Macdonald's own words, familiar enough to him, "a sober second thought" on legislation wherein he conceived the Senate would be the controlling or regulatory rather than the initiating branch of parliament, or it must cease to exist at all. Then, surely, and only then, would it be the duty of this house after a properly conceived and thorough debate to refer the question of reform to a federal-provincial conference. The problem as I see it is this: The other place is not given enough to do. Most of our legislation is introduced in this house as it has to be, under the terms of section 53, in respect of money bills. Most of the major bills brought before parliament

have to do with money and, in consequence, they are introduced here, debated at length, and finally referred to the other place only at a late stage in the parliamentary session.

At one time the composition of the cabinet used to include a member or two from the Senate. This is another role which has been minimized of late years and, in consequence, the other place is less useful than it might otherwise be. My suggestion is that we should seek to achieve administrative reforms which would allow important legislation to be introduced from time to time in the upper chamber for consideration there, particularly when such legislation was of a non-partisan nature or not too controversial. Either we should do this or we should proceed to a more fundamental reform along the lines indicated by the hon. member for Winnipeg North Centre (Mr. Knowles). The hon. member has himself recognized the validity and effectiveness of the Senate committee system. There is, I am sure it will be agreed, a non-partisan attitude taken toward legislation, and I should like to direct the attention of the house—

Mr. Gregoire: On a point of order, I think the time allowed to the hon. member has expired and that members of other parties should be allowed to express their views.

Mr. Turner: With the greatest respect, I wonder if I might be given a few minutes in which to terminate, since most of my remarks were punctuated—

Mr. Speaker: Is it the wish of the house that more time be allotted to the hon. member for St. Lawrence-St. George?

Some hon. Members: No.

Hon. Marcel Lambert (Edmonton West): Yesterday I raised certain objections to this measure. I have now examined it in detail and listened to its proposer, and I am just as thoroughly convinced that this is a bad bill.

This bill does not seek to reform the Senate. This bill simply abolishes the Senate. This bill seeks drastically to alter the composition of the parliament of Canada. That is the issue before us today. We are not here to discuss reform of the Senate in any particular. This bill seeks to destroy parliament as we know it and as we have known it since confederation. I emphasize this particularly, because if the measure were aimed at the reform of the Senate there would be many matters which this house could discuss. It is generally agreed that the Senate could become more effective if a number of reforms were made. The official opposition has long been in favour of the reform of the Senate and has, in fact, brought forward resolutions in this regard. I would refer hon. members to *Hansard*, particularly to the reports of our debates in 1954, and suggest they read the speeches made by the right hon. Leader of the Opposition (Mr. Diefenbaker), my hon. friend from Digby-Annapolis-Kings (Mr. Nowlan), and others, all dealing with the matter of Senate reform. Let us be perfectly clear. We are not discussing Senate reform today but the complete abolition of the Senate.

The official opposition unequivocally opposes this bill because it strikes at the roots of parliament. Parliament is composed of the Queen, the Senate and the commons. Passage of the hon. member's bill through this house would be as illogical and absurd as it would be to suggest that the Senate could, in its turn, legislate the House of Commons out of existence, and I repeat this, notwithstanding the glib phrases used by the proposer of the measure before us.

I would also bring this to the attention of hon. members: In accordance with the provisions of the British North America Act as it now stands, the three provinces of Nova Scotia, New Brunswick and Prince Edward Island are given constitutional guarantees as to their representation in this house. We need only look at history leading up to confederation. Let hon. members consider the development of the western provinces which also received a bloc of 24 Senate seats. We had the Atlantic provinces, we had Ontario, we had Quebec and we had the western provinces. There is no one, and I include the hon. member for Winnipeg North Centre, who can say it was not a basic condition of entry into confederation that the rights of the provinces would be protected through their equal representation by divisions in the Senate. Changes of population in the interval have, of course, affected the position. When the four western provinces were allocated their 24 Senators, their population was minute. In contrast the population of my own province today outnumbers the present population of the original maritime provinces. Well, we have six Senators to their 24.

Mr. Knowles: What protection have they given you?

Mr. Lambert: But there is still protection. You do not have to use the police in order to get the protection of the police; they are there.

Miss LaMarsh: Like Robarts.

Mr. Lambert: I love the interruptions of the Minister of National Health and Welfare (Miss LaMarsh); they are so helpful to her colleagues on other occasions.

It is alleged that the purpose of this bill is to implement the principle that legislation should be enacted only by elected representatives responsible to the people. If it is alleged that only an entirely elected form of government can be successful, I am sure history would prove that such a doctrine is fallacious. It is true that the party to which the hon. member belongs has advocated the abolition of the Senate for a number of years, but I say that the hon. member for Winnipeg North Centre is bringing forward his bill at this time merely as a publicity stunt.

Some hon. Members: Hear, hear.

Mr. Lambert: They have brought forward resolutions in the past. The hon. member says he had a bill ready. But then he suddenly seizes the occasion, in a fit of pique to put it forward, and I suggest he is merely trying to capitalize on a situation which has already been over-dramatized in order to milk out of that situation every vestige of publicity that can be gained from it.

The hon. member wants to talk. I suggest that he read Saturday's Edmonton *Journal* where the exact impact of last Friday's action is indicated by the manager of the unemployment insurance commission office there, who says: "Fifteen thousand unemployed will not have one moment's delay because their cheques were due to go out Tuesday." This has been a case of over-dramatization. If the hon. member wants to talk about reform, fine. He is talking about abolition.

Mr. Knowles: But I do not want to talk about reform. I do want to talk about abolition.

Mr. Lambert: I will not, in the circumstances—

Mr. Olson: On a point of order. Surely it is against the rules for any member to impute motives to another member in the course of discussion?

Mr. Lambert: The hon. member is a great one to rely on that rule. I would refer him to his own speeches.

I do not intend to examine further the situation which may have prompted the sudden filing of this bill, but if the confession of error on the hon. gentleman's part after bypassing the rules of the house—

Some hon. Members: Oh.

Mr. Speaker: Order. It is difficult to hear the hon. member.

Mr. Peters: You are not missing anything, Mr. Speaker.

Mr. Lambert: Mr. Speaker, after having heard the hon. member for Winnipeg North Centre (Mr. Knowles) and others in this house confessing the error of bypassing the rules of this house some three weeks ago, I find it passing strange that the hon. member would now seek to criticize others who felt they should observe the rules. When this house flouted its rules, the hon. member did not seek to destroy it but urged greater adherence to our rules and perhaps some reformation in this house. When the third part of this parliament, or the Senate, found that it must adhere to its rules, and thereby did not meet, shall we say, the immediate desires of the hon. gentleman and, perhaps, the tyranny of a temporary majority, the hon. gentleman did not say "reform", he said "destroy".

Mr. Speaker, in the last couple of minutes that I have at my disposal, since other hon. members wish to speak, I say that I am thoroughly opposed to this bill. I repeat that there must be consent by the provinces, which are affected by this bill, prior to the abolition of the Senate. It is not a question of amendment; it is a question of abolition. In this regard I would say that every province in this country has a vested interest. It is not the case, as the hon. member said, of a province abolishing a part of its house. The federal government itself is not in the same position as the people in the provinces.

Mr. Knowles: Mr. Speaker, would the hon. member permit a question?

Mr. Lambert: Not at the moment. I have very little time left. If there is an extension of debate, perhaps I will; but not at the present time. I would say, Mr. Speaker, that this bill is thoroughly bad. It seeks to weaken our constitution. It seeks unilaterally to alter the Canadian constitution without prior consultation with and consent of the provinces, for whom the composition of the Senate was an essential condition of their participation in confederation. The wisdom of elected representatives can never be complete, and it would be an extremely dangerous step to take for us to agree that a unicameral house would have greater wisdom than our present form of government of one elected house and one appointed house. After all, Mr. Speaker, the hon. member does not propose changing the Senate from an appointed body to an elected body so as to gain the benefit of the alleged principle of this bill that legislation should be enacted only by elected representatives responsible to the people. His purported remedy is merely abolition.

I would like hon. members opposite to be able to express their point of view. After all, by accepting first reading they were also

accepting that they should flout the constitution of this country. I would like to see the members of the government and their backbenchers state their views in regard to this bill.

Mr. Knowles: On a point of order, Mr. Speaker, does not the point of order raised by the hon. member for Parry Sound-Muskoka (Mr. Aiken) really apply now, when this reflection is put upon the vote of yesterday?

Mr. Moreau: Mr. Speaker, would the hon. member now permit a question from one of those so-called backbenchers?

Mr. Martineau: Mr. Speaker, I rise on a point of order. It is that the discussion this afternoon has surely shown to the satisfaction of most members of this house that a full and exhaustive discussion cannot take place within the hour set aside for this debate. Therefore I would ask Your Honour to ask the house if it would give unanimous consent so that one day, perhaps tomorrow or within ten days, would be set aside for a complete discussion of what is certainly a most important bill.

Mr. Speaker: I regret to inform the hon. member that in my opinion that is not a point of order. The hon. member for Red Deer (Mr. Thompson).

Mr. Martineau: Mr. Speaker, on a point of order, may I ask—

Some hon. Members: Question.

Mr. Speaker: Order. May I point out to the hon. member that there are only about three or four minutes left, and perhaps he would be good enough to give them to the hon. member for Red Deer.

Some hon. Members: Question.

Mr. R. N. Thompson (Red Deer): Mr. Speaker, now that the abolitionists and the conservationists have all had the chance to shout their words across the house, there are about two minutes left for something constructive.

Some hon. Members: Oh, oh.

Mr. Lambert: Oh, the weight of that halo.

Mr. Knowles: Watch out; you will be sent to the Senate.

Mr. Thompson: Mr. Speaker, while I do not condone the situation that exists at the present time in the Senate, neither am I in favour of the abolition of the other place because I believe that if the Senate were properly reformed it could fill a very useful and constructive purpose in our parliamentary system of government. That could be as a house of scrutiny, a house of second thought, a house from which we could draw many of our commissioners to deal with our public and governmental problems.

However, the Senate must be something more than a rubber stamp. If this house really expects the Senate to be nothing more than that, quite obviously it has become a very expensive rubber stamp and the bill we are now considering is an intelligent one. I would suggest, however, that what is wrong is not the fact that we have a Senate, but the shameful way in which both senators and the institution of the Senate have been treated by the present and past administrations of the old line party systems.

The Senate as we have it today is not that useful part of the government of Canada that was intended by the fathers of confederation. Instead it is a pasture for the political war horses of the old line parties who have outlived their strength and usefulness and are now put out to grass. It is a place, too often, to which the incompetent can be retired without disgracing the administration to which they once belonged. No wonder that a body composed in this manner commands little respect and that those members who try to discharge its function in a useful manner are flouted. Therefore I believe it is our responsibility at another time to debate intelligently and in a positive way methods by which the Senate can be reformed.

It is an indictment of our parliamentary system that in Alberta a Social Credit government for nearly 30 years, a C.C.F. government in Saskatchewan for 20 years, a Social Credit government in British Columbia for 12 years and, yes, a Union Nationale government in Quebec for 20 years have never been recognized; they have been ignored completely in this regard. I can think of an elder statesman who served in this house, who belongs to the party of the hon. member who moved this bill and who would make a very responsible and deserving senator if he were given that opportunity. I speak of M. J. Coldwell. Therefore I believe that in consultation with the provinces we ought to get together and reform the Senate and make it the useful body that it should be.

Mr. Speaker, may I call it six o'clock?

Mr. Knowles: Mr. Speaker, I rise on a question of privilege. In view of the obvious interest in this bill, I wonder whether the house would give unanimous consent to—

Some hon. Members: No.

Mr. Knowles: Let me finish. I wonder whether the house would give unanimous consent to this bill being allowed to stay at the top of the list of public bills so it could have at least one more hour's debate?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: I regret to say that I do not hear unanimous consent given to the suggestion of the hon. member.

Some hon. Members: Yes.

Mr. Speaker: Does the house give unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: There are some noes. The hour appointed for the consideration of private members' business having expired—

Mr. Knowles: Mr. Speaker, we could not hear any noes. Where did they come from?

Mr. Speaker: There are noes. In order that there be no doubt at all, when I asked for unanimous consent I did hear noes.

Mr. Winkler: They were all from the Grits over there.

Some hon. Members: No. Pigeon, Pigeon.

Mr. Speaker: Order, please. The hour appointed for the consideration of private members' business having expired, the house will resume the business which was interrupted at five o'clock.

Mr. Pigeon: Same old bunch.

SUPPLY

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

The Chairman: Order, please. It being six o'clock I do now leave the chair.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

The Chairman: Order. House again in committee of supply, supplementary estimates E for the fiscal year ended March 31, 1964, vote No. 1e, Department of Justice. The hon. member for Wellington-Huron.

Mr. Churchill: Mr. Chairman, we were on a point of order at five o'clock and I had been on my feet asking for the opportunity to speak to that point of order.

The Chairman: Does the hon. member wish to speak to the point of order? The hon. member for Winnipeg South Centre.

Mr. Gregoire: Mr. Chairman, at five o'clock, as I think the hon. member for Winnipeg South Centre will recall, I was on my feet speaking to the point of order.

The Chairman: I am willing to hear the hon. member if he wishes to address the Chair at the moment. I must say very honestly it was my feeling that the point of order had been raised, arguments had been made on both sides, and I was hoping that the matter might perhaps be allowed to rest there and that we could now hear the hon. member for Wellington-Huron. This would be my suggestion.

Mr. Howe (Wellington-Huron): Thank you, Mr. Chairman. My remarks will be quite brief, as they would have been at a quarter to five if I had not been interrupted by the Minister of Justice and the President of the Privy Council. I am not one of the more loquacious members of the house so I thought I was perfectly in order in raising this particular question. It has to do with the appointment of lawyers by the Department of Justice to look after Farm Credit Corporation legal work. Before 1957 or 1958 there were not too many lawyers doing this work. I believe it was in 1959 that the Department of Justice divided the country into areas for the convenience of the farmers who were going to be served by the corporation. This action was taken for the convenience of the farmers and not for the convenience of the lawyers or the Farm Credit Corporation.

I have particular reference to a situation which has developed in that part of the county of Huron which I represent. After 1958 a lawyer in Wingham was appointed to look after the work in the eastern portion of the county. The lawyer who is now doing the work lives in Goderich, 40 or 50 miles away. I feel it is important for the convenience of the farmers in the area to which I have referred that the department and the minister should give consideration to appointing someone from the legal profession in the town of Wingham to look after the Farm Credit Corporation work. I should like the minister to take this into consideration.

Mr. Fisher: Mr. Chairman, I have three questions I should like to ask the minister. I am sure the first one is familiar to him. I should like to know the composition and the schedule of the firearms study committee he spoke about in the house on March 9. I ask this question because I have had representations both from individuals and Canada-wide organizations such as the Canadian wildlife federation regarding the membership of the committee and whether there will be any opportunity for fish and game clubs and

other such organizations to make representations before the committee's report is embodied in amendments or changes in regulations. I think the minister is aware that these groups feel too much haste in introducing regulations that would limit the use of firearms according to age might wipe out their strong and extended programs for the thorough schooling of young people in the use of firearms.

The second question I should like to ask the minister concerns a matter about which some people have also made representations to me. It involves a judge of the Quebec courts by the name of Ouimet who sentenced a man to jail for 12½ months, I believe, for writing a letter to a newspaper criticizing a decision that the judge had made. I do not want to make any comments about it. I have read the decision of the judge and the letter in question and I am afraid that neither my French nor my understanding of the law is sufficient for me to make any comment. However, I wonder whether this sentence has been drawn to the minister's attention and whether any of his officials have looked at it from the point of view of its severity. I know that I have been critical of judges' decisions and have come close to writing letters that would have been no more vitriolic than the one in question here, and it is for that reason I should like to know whether this sentence has been looked at or whether the minister has heard anything from the provincial crown attorney or attorney general with regard to it.

The third question is a more general one, although it has a specific which I have raised with two previous ministers of justice. It is the old question of the replacement or retirement of incompetent judges. I think it is supposed to be understood that there is no such thing as an incompetent judge, but I do know of one particular situation that is bothering a great many members of the bar and also the general public. When representations were made it was pointed out that there was no place to which to shift the judge. The suggestion was made that perhaps such a judge could be shifted to a very large metropolitan centre like Toronto where he would not be any problem at all, but I gather the reply was that Toronto is already saddled with a couple of such judges and this just would not do.

I am serious about this question. I should like to know whether the minister is giving any consideration at all to how judges, particularly in the superior courts, who are not carrying out their functions properly and about whom there are complaints, can be either replaced or given some kind of honourable retirement. Since these are three separate and simple questions I have raised I would appreciate it very much if the minister would give me the answers right away.

Mr. Favreau: Mr. Chairman, first of all may I say I am answering subject to the caveat I have entered three times already. I feel quite concerned about speaking on these matters because I am afraid I am completely out of order in doing so. As I said, I am sure in my own mind that an item seeking leave to pay $10,000 to the Canadian corrections association to assist in defraying the expenses of the fifth international criminological congress in Montreal certainly does not cover these subjects.

However, the hon. member who has put these three questions will at least agree that, in so far as I personally am concerned, I have never avoided any personal conversations, or refused to furnish full information on a personal basis. So far as the composition and details of the firearms committee are concerned, I must say that I do not have same at my fingertips. I do not have the names of the members. It is an interdepartmental committee that has had several sittings. I have already begun to look into the reports of that committee and have been discussing same not with the members themselves, but through one of my officials in charge of the criminal law section. I have already made one answer in the house to the effect that, for the moment, there was no intention of curtailing the use of firearms. The only limitations that were under study, not considered for recommendation but under study were, (a) the possibility of increasing the age at which a person could use a firearm without being under the control of a responsible person and, (b), preventing the use of firearms by certain people, *inter alia* people already found guilty of offences against our laws.

As to the second point raised with regard to the sentence which has been imposed by Mr. Justice Ouimet, I must say that, like my hon. friend, I am not in a position to state exactly the duration of the sentence involved. However, I recall quite clearly that this was one case where a person, having read about a sentence which included the condemnation to lashing felt that this was an undue type of condemnation to impose and wrote a letter to the newspapers which could have been termed at least inflammatory. The person concerned was charged, with contempt of court, because the judge, in imposing sentence, had not gone beyond the scope of his jurisdiction under the code. The person had inferred, in the language used, that the judge had been wrong in applying the law.

There are two questions raised by this incident. The first one is connected with the administration of justice. This is, of course, purely a matter for the provincial government under the British North America Act. The second question is one which I hope we are not going to discuss fully here tonight, and that is the matter of the propriety of henceforth maintaining in the code provision for a sentence to lashing.

In so far as the replacement or retirement of incompetent judges is concerned, I must answer that the question of revolving judges either by districts or otherwise is one for the chief justice of each court. It is governed also by the principles followed in administering justice in the provinces. Since I have not been responsible as yet for the appointment of any judges I can at least say that if some are incompetent, as my hon. friend alleges, they have not been appointed by me. I can at least promise the committee that I shall try to be careful to appoint judges who are as competent as it is possible to get them.

Mr. Aiken: At a later date I want to make a rather full statement in connection with the question of penitentiaries administration and the particular problem of minimum security institutions. For the time being I should like the minister to comment on a matter that is very seriously concerning me, and several other people who are in the same situation. I refer to the general policy of the decentralization of penal institutions.

It has been long recognized that there are many inmates of institutions who can be rehabilitated. However, these people have to be segregated from the others and given training programs. It is a very difficult matter to put a program like this into effect. The public is far from sympathetic and there are failures even under this type of program. I believe that within the administration of the penitentiaries branch possibly there are people who doubt the advisability of minimum security institutions and the segregation of different classes of prisoners. It takes a strong government and a strong minister to lay down a policy in connection with prison reform and to carry it out. If he does not do this himself the program will begin to disintegrate.

I am concerned because of a feeling that two things are happening, and I hope the minister can ease my conscience about both these things. First, I am concerned that the policy that was instituted some years ago by Hon. Davie Fulton of decentralizing penal institutions into many smaller units and into maximum and minimum security institutions, is being abandoned. Then, I am concerned lest there is an effort on behalf of the government to phase out minimum security institutions now in existence. I have recently had evidence placed before me that at least one minimum security institution already in operation may be in the process of being closed. I refer to the Beaver Creek camp. This, I feel, would be a reversal of the policy which was begun a few years ago and which has been quite successful. This camp is very close to me, and I have seen it grow and operate. It was well started and has had a very good history of keeping people out of trouble after they have been released.

There are indications that this government is giving in to those people within the penitentiaries branch who are against this type of penal reform. It seems to me that over the last few months the efforts of the government have been very largely turned towards building institutions on a patronage basis. I do not want to go into all the things that have been said about the Cornwall institution and the institutions that were supposed to have been put in Grey-Bruce, St. Hyacinthe-Bagot, and so on. But it seems to me that the attitude of the previous minister, in the statements he made, was that the penitentiaries branch was merely considered by the government for building institutions in the ridings of its own members, and taking them out of the ridings of members of the opposition. In addition to that, it appears that some of the institutions that were planned, the minimum security institutions, are not only not being built in the ridings of opposition members but are not being built at all.

That program was started. It was successful, and I would like an assurance from the minister that he is firmly behind those people within his penitentiaries branch who support the minimum security institutions and the decentralization of prison farms and penitentiaries. I have a fairly extended speech prepared but I do not want to delay the estimates unduly. However, this is a matter I do not want to leave until we come to the main estimates. I want to be satisfied that the minimum security institutions system will be carried through and that the minister is wholeheartedly behind it. I ask the minister to give me such an assurance.

[*Translation*]

Mr. Latulippe: Mr. Chairman, while we are considering the estimates of the Department of Justice, I should like to say that I am particularly disappointed to see that the minister has not provided special items which would permit the government to launch a full inquiry into bankruptcies occurring across the country, and particularly in the province of Quebec, where the situation is becoming increasingly alarming—

The Chairman: Order. The Minister of Justice is rising on a point of order.

Mr. Favreau: Mr. Chairman, I do not want to insist too much on the rules, but I am sure that up to now I have been very conciliating. I suggested that the only excuse we could have to discuss, on supplementary estimates, the question, for instance, of penitentiaries, which was discussed at some length, was in connection with the small grant of $10,000, which we are asking the house to approve and which is earmarked for the Canadian correction association. This association is concerned with penitentiaries.

However, we should bear in mind that, after the eleventh day, we are still on supplementary estimates. Even though discussion only lasted 30 or 40 minutes on certain days, we had at least eight full days of debate on the subject. I think that nothing in the present items justifies wandering, even for a short while, into the bankruptcy field, especially when budget items of my department will soon be submitted, at which time we will have every opportunity, on item 1 of the estimates of my department, to discuss such matters.

Mr. Gregoire: Mr. Chairman, on the point of order. I should like to point out once again to the Minister of Justice, in his capacity as house leader, what the hon. member for Pontiac-Temiscamingue (Mr. Martineau) read to him this afternoon, namely that on the first item of the estimates of each department, we should have a general discussion on the administration.

We are now on item 1 of the supplementary estimates of the Department of Justice and, therefore, we are permitted a general discussion on the administration of that department.

As indicated by item No. 40, the Department of Justice also has estimates concerning application of the Bankruptcy Act.

Now, my colleague from Compton-Frontenac has exceedingly important observations to make on a most important point concerning fraudulent bankruptcy in the province of Quebec, and that concerns the administration of the Department of Justice. I think that the minister, instead of trying to block the suggestions made by the members of this house, should listen carefully to what is said about things occurring in the city of the Minister of Justice, not to say in his own riding, namely the practice of fraudulent bankruptcies.

The Chairman: Order—

Mr. Gregoire: Mr. Chairman, in concluding I may say that preventing us from discussing that point is a breach of the undertaking entered into by the Minister of Justice himself, in his capacity as house leader, when we started the discussion on supplementary estimates.

That is why I say that the hon. member for Compton-Frontenac is completely in order and quite justified in discussing the point.

I also cannot but wonder why, some members of our group are prevented from taking part in the debate. The hon. member for Compton-Frontenac is the first who wishes to rise on those estimates, but they are trying to stop him.

An hon. Member: He is the first one who is to be stopped.

The Chairman: Order. The hon. member stated his point on the remarks started by the hon. member for Compton-Frontenac. Would any hon. member like to make any other remarks on the point of order raised by the Minister of Justice?

Mr. Marcoux: Mr. Chairman, might I say one word? I would ask the house leader whether there is a means of reaching a new understanding? If we consider ourselves blocked by those old agreements, I would ask for a new agreement to enable us to proceed more quickly with the discussion of the supplementary estimates.

Mr. Favreau: Mr. Chairman, I should say I never have deceived the house neither on that point nor, indeed, on others. It should not be implied that there has been some agreement between house leaders on that matter.

The agreement to which the hon. member for Lapointe referred, and the hon. member for Pontiac-Temiscamingue mentioned at noon, as allegedly recorded on page 876 of *Hansard*, is this. An attempt was made to limit the discussion to item 1 only of the estimates when there are all kinds of other items for each department.

It has been suggested that the discussion on section 1 could deal with all items, but that meant obviously only on such supplementary estimates as were requested from the house, so as not to limit entirely the discussion to section 1.

Mr. Gregoire: Could the Minister of Justice tell me once more what page of *Hansard* he is referring to?

[*Text*]

Mr. Nielsen: Mr. Chairman, I do not know what page 876 of the French edition says, nor was I in the house when the hon. member for Timiskaming rose this afternoon.

Mr. Favreau: If my hon. friend will allow me, I was referring to page 876 in the English version, which he has.

Mr. Nielsen: Well then, may I refer Your Honour to page 879 of *Hansard* for March 13 last, where the hon. member for Winnipeg North Centre suggested the procedure that should be followed in discussing each department as it arose, that suggestion substantially being that on the first item of each department a general discussion of the department would ensue.

As recorded in the right hand column of that same page I had this to say:

> Mr. Chairman, I think, for the purposes of orderly discussion in the consideration of all these departmental supplementary estimates, we should have this matter clear at the outset. I had the same understanding as the hon. member for Winnipeg North Centre, namely that we would have a general discussion on the first item of each department as it arose.

I believe Your Honour was in the chair at the time, although I may be mistaken in my recollection, and as recorded at page 880 you had this to say:

> Perhaps I may be allowed to conclude my remarks. The committee is in obvious agreement that this procedure should be followed—

—namely, that suggested by myself, as set forth originally by the hon. member for Winnipeg North Centre—

> —and I suggest that we follow it.

Surely there can be no attempt by the Minister of Justice at this late stage to limit the debate, in view of those previous commitments?

The Chairman: Order. It is perhaps a bit unfortunate that this matter has been raised from time to time. It is certainly a difficult point to rule upon, but in the opinion of the Chair there was, when we originated this discussion earlier in committee of supply, an understanding of some nature—I really cannot tell how far it went—that on the first item of each one of the departments where there is a general administration item there would be a discussion of a general nature. This has been my impression all along and this is why we have been following this procedure during the days while the supplementary estimates have been under consideration.

I point out that this does not mean we have suspended the ordinary rules of procedure in this committee. The general rules of relevancy still apply. Standing order number 59(2) still applies as does, of course, the citation from May which I quoted last night and which perhaps I should quote again for the benefit of hon. members. This reads:

> Of course, it is quite obvious that it should be improper, as a general rule, to raise on a supplementary estimate the whole question of policy involved in the original estimate.

As I said last night, this is a general rule which we have to bear in mind even though we have recognized that there can be a general discussion. In other words, my feeling is we have recognized that the committee may proceed with a general discussion on the first item where there is a general administration item. But the Chair should, I submit, rule on every particular intervention on its own merits so as to determine whether it follows the ordinary rules of relevancy which continue to apply, even in this debate.

Mr. Nielsen: I think that for the purpose of clarification I have to make two points. The first is that when we began this discussion on March 13 this committee was in unanimous agreement that we should proceed to a general discussion on the first item of the estimates of each department. There was no agreement confined only to general administration items. That agreement covered all departments.

The Chairman: I do not think we should go into the matter further. I said, and I feel my thinking is generous enough, that we should consider each intervention on its merits. I have studied all the observations which have been made. I have considered what I myself, said. If the hon. member for Yukon would go through all the comments which were made on the point of order originally raised by various members, including the hon. member for Winnipeg North Centre, the hon. member for Winnipeg South Centre and the hon. member for Pontiac-Temiscamingue, he would see that it was the feeling of the members who brought up this point that there would be a general discussion where there was a general administration item. I think, in fact, that this would cover most of the departments; if my recollection is correct there are few whose estimates do not begin with a general administration item.

However, I do not think we should make a general ruling. We should consider each situation as it arises. In the present instance the hon. member for Compton-Frontenac has begun a discourse on the administration of bankruptcy. It would not be possible for the Chair to make a ruling on whether the hon. member is in order or not because I have not heard enough of his discourse and I invite him to continue his remarks for the time being.

[*Translation*]

Mr. Latulippe: Mr. Chairman, the Bankruptcy Act is inadequate, almost useless as far as its practical application is concerned, and the impact of this inefficiency is felt almost in all areas of business but especially, perhaps because of its more fragile nature, by small industry, by our small traders, which is very understandable indeed, large companies

being protected by lawyers who are expert in these matters, whereas the small trader, whoever he is, cannot afford to seek legal advice in view of the huge expenses involved.

The situation is such, Mr. Chairman—and I am certain that the minister, who is a brilliant lawyer, is aware of this—that *Le Petit Journal* for the week of March 15, 1964, published an article relating sensational revelations by a person in the know and entitled:

I worked in the fraudulent bankruptcy business.

That article describes the gigantic organization which controls this continuing fraud, and throws some light on the procedure used to entice tradesmen with financial problems to rush into the lion's mouth.

When newspapers have the courage to put before the population an article of this quality, it is hightime for legislators, and especially those who administer this famous act, to face up to their responsibilities and ask themselves frankly what changes are required in the light of recent events.

Mr. Chairman, may I quote in its entirety the introductory paragraph of this article, written by Mr. Conrad Bernier. It begins this way:

The season of the fat kine has been going on for some time for the experts in fraudulent bankruptcy. The number of their victims since a little over two years is unbelievable.

By its magnitude, by the strength and the complexity of its organization, the racket of fraudulent bankruptcies has taken such ugly, brutal and fantastic proportions that it is jeopardizing the entire local trade—

The author is referring to Montreal.

Allow me to mention to the Minister of Finance (Mr. Gordon) that as a small manufacturer, in Montreal only, out of ten customers to whom I sold goods, eight have gone bankrupt. I would therefore ask him to listen closely to this:

—which may be plunged in a complete chaos. The damages, states an eminent financier—

—and it is still Mr. Bernier who is writing—

—are huge and, faced with such gangsters, one feels very small, insignificant and lost. Those gangsters who hustle us and may even knock us down and squash us have corrupted and altered business to an extraordinary degree. The fraudulent bankruptcy racket has become an ever-spreading organization which must be hunted down and destroyed at all costs.

You can see as well as I do that those words leave no possible doubt as to the seriousness of the situation. Moreover, to assist him in his clean-up job, the Minister of Justice could surely rely on the solid support of his colleague, the Minister of Trade and Commerce (Mr. Sharp), whose competence and integrity would undeniably be major assets in helping him take the pulse of that situation, diagnose the disease and then apply the remedy required.

Reference was made to the setting up of a judicial committee or something of the kind in Montreal to have a look at the situation and probably submit a report which, like so many others, would wind up gathering dust in the departmental files.

The basic problem lies in the provisions of the act itself, and it is this act that should first be studied, revised, reviewed and amended. I intended to introduce a bill or a motion to that effect. I inquired of the house's legal adviser, but since he is overworked and that, according to him, such a revision would require almost a month's work and still, by a legal expert, it was considered almost impossible.

Only departmental officials can perform this work efficiently and officially, because questionings would no doubt be necessary. In fact, an entire legal machinery should be set up so as to throw some light on this unsavoury business that reeks of fraud and which our honest businessmen are practically unable to avoid, being blinded by a doubtful legality that leaves room for quibbling and interpretation by any sharp swindler.

Last year the minister of justice gave me several documents concerning bankruptcies following a question I had put on the order paper. Along with those statistics, some of which I will give in a few moments, I could read the following paragraph:

Who assumes the losses presumably suffered according to the figures given in those charts? The records at the office of the superintendent of bankruptcy do not give the total number of claims filed by the creditors, except when a dividend is declared. Consequently, the figures for the liabilities are those given by the debtors themselves and are only an estimation. Furthermore, when the secured creditors take back their securities, unless they give the amount really recovered, only an estimation based on the value of the securities can be made.

According to information available, we cannot distinguish between secured, preferred and unsecured creditors and determine the loss apparently sustained by each category.

It follows from this answer of the minister that the administrators of this act are as inefficient as the act itself.

A lot of technicalities are put forward and it is hardly possible to succeed with antiquated methods. Meanwhile, people who have devoted their whole life to building up a business, witness failure of their most legitimate ambitions and loss of the little they own because an inefficient act is unable to prevent swindlers from grasping their belongings.

Allow me, Mr. Chairman, to quote a few figures in support of my remarks. In 1958,

in cases of non-summary proceedings, the estimated liabilities of debtors amounted to $34,330,098, and in cases of summary proceedings—

[*Text*]

Mr. McIlraith: Mr. Chairman, on a point of order, I would point out that the item the hon. member is now discussing is No. 40 of the main estimates of the Department of Justice. There is no item on this subject in the supplementary estimates now before the committee. There is, therefore, debate going on with regard to a subject matter that is not before the committee.

Mr. Langlois: Mr. Chairman, the hon. member for Compton-Frontenac has practically finished his observations. I think he has something worth listening to and the minister possibly has something to learn from what the hon. member has to say. Would the committee be considerate enough to let the hon. member terminate his observations on this matter?

The Chairman: I might say that I have already expressed the views of the Chair on this general question, and I would be prepared to listen to the hon. member's speech.

[*Translation*]

Mr. Latulippe: Estimated liabilities of debtors totalled $34,330,098 and, on summary conviction, $10,062,138. Those figures have kept on increasing since 1958 and have reached a point where, according to 1962 statistics, liabilities on non-summary conviction were $69,989,460 and $10,749,735 on summary conviction. Gentlemen, the present avalanche of bankruptcies will no doubt reach new records for the last fiscal year.

I will just give you the total amount of apparent losses for 1962; on non-summary conviction, they totalled $15,695,662 and $5,779,801 on summary conviction. And, as the Minister of Justice stated in the quotation I read at the beginning of my remarks, because of the present provisions of the law, it is extremely difficult to determine those losses with a normal degree of precision. Consequently, those figures are but a poor indication of an unfortunate situation and I will be happy to provide the information I have to anyone who wishes to examine the question.

To conclude my remarks, Mr. Chairman, I ask the minister the following question, and I would appreciate it if, with his usual courtesy, he would take it into serious consideration: would the Minister of Justice be prepared to make an inquiry into these fraudulent bankruptcies? In addition, would he be prepared to establish a committee or another body to study immediately the possibility of revamping the Bankruptcy Act. Finally, is the Minister of Justice ready to assume responsibility for instituting a temporary commission to scrutinize all bankruptcy cases, especially in Montreal and in the province of Quebec, until a preliminary report from the said commission has been submitted to his department?

Something must be done, for the situation has become tragic in several places; and the business community is becoming panicky, for it knows very well that the law, though existing, no longer protects them adequately.

Mr. Chairman, some tradesmen who have suffered from this situation asked me on several occasions whether there was in Ottawa a minister of justice or a minister of injustice. I would not go so far as calling the hon. member the minister of injustice, but if the situation in regard to bankruptcies continues and if the government and the Minister of Justice fail to face up to their responsibility, this will finally happen.

Mr. Choquette: Mr. Chairman, I should like to briefly draw the attention of the Minister of Justice to the fact that recently the Department of National Defence announced the closing down of the radar station at St. Sylvestre. There is at that place an immense site on which the Department of Justice could base some projects.

On the other hand, I have been informed, that the Department of Justice was interested in that site which, will be vacant in July, since the radar station will then be closed.

Therefore, Mr. Chairman, I would draw the attention of the Minister of Justice to the vacancy of that site at St. Sylvestre, if he has any projects for some rehabilitation institution, because he could establish some very beneficial institutions there.

[*Text*]

Mr. Kindt: Mr. Chairman, I should like to direct a few remarks to the Minister of Justice in connection with some letters I have received from presidents of rifle clubs. I have one in my possession from the Coleman rifle and revolver club, Mr. John W. Dean. I have another from the Okotoks shooting club, from the president Mr. Denis Gough. I have many others in my file which I have referred to the minister, but up to now I have not received what seems to me a satisfactory explanation of either his views or the views of his government with regard to bringing forward legislation to restrict the use of firearms by private citizens. Some of these clubs fear that some irresponsible legislation might be brought forward by the justice department concerning the ownership and use of firearms

by private citizens. In essence their views, with which I agree, are that they do not think that further legislation, would be of any value, to unarm the irresponsible gunman.

I should like to add that when you go to outlying spots in western Canada the use of firearms is even encouraged among juniors. May I cite to the Minister of Justice an experience I had last summer at Aklavik in the Northwest Territories where the principal of the school conducted target practice in the basement of the school, teaching children the science of using firearms so that they might become skilled in shooting muskrats on the Mackenzie river delta. The same thing happened among the Indians at Old Crow. It is nothing uncommon to see young people in the west using 22's and other firearms to shoot gophers, and so on. I think it is a fine thing for these young people to gain experience, and the justice department should be encouraging them, rather than restricting the use of firearms and bringing forward legislation to this effect.

May I have the attention of the minister, because I am talking to him direct; it is his department which is concerned. I hope that he in turn will pay proper heed to these requests which are coming in from different gun clubs, and I trust he will think seriously before making any move to introduce further legislation to restrict the use of firearms in the hands of private citizens.

Mr. Olson: Mr. Chairman, I do not want to take up a lot of time on these supplementary estimates, but there are one or two matters which I wish to draw to the attention of the minister. This is the first time we have had some of the estimates from the Department of Justice under consideration by the house for a matter of many months, so there is some justification on these supplementary estimates to probe a little deeper into the administration of this and other departments than is normally the case on supplementary estimates. Many of the estimates for the 1963-64 fiscal year were brought in prior to adjourning for Christmas, and in order to wind up the session some went through with less than one day's debate on the whole department. I think we should have an end to this criticism of members of the opposition who wish to bring up certain of these matters, because I would remind you that some of these matters we have had to keep to ourselves for more than two years.

I should like to ask the minister whether there is still a large backlog of cases before the Exchequer Court of Canada, particularly those concerning income tax appeals and matters of that kind. If there is, there is certainly something to this idea that justice delayed is justice denied. I know one or two cases where income tax appeals have been placed before the Exchequer Court of Canada more than two years ago and a decision has not yet been handed down. I think it is time to draw to the attention of the minister the fact that if this court is unable to cope with the volume of work coming before it something should be done to expand its facilities, or some other kind of arrangement should be made so that some decisions can be reached with regard to these appeals.

As I said, I did not want to take up a lot of time but this is something that has been troubling a lot of citizens of Canada for a long period. Therefore I hope the Minister of Justice will have something to say with regard to expediting these cases which have been before the exchequer court for months, and in some cases for years.

The Chairman: Shall the item carry?

Mr. Aiken: Before the item carries, will the minister be kind enough to answer the question which I put to him earlier with respect to minimum security institutions?

Mr. Favreau: Mr. Chairman, I appreciate the interest of my hon. friend in this particular question, but it seems that on the first occasion when there was an attempt to decentralize the institutions and establish an institution in Cornwall there was a big uproar, and I now wonder how we are going to deal with this question. But speaking more seriously, I would reassure my hon. friend, who I know has had no indication that I intend to depart from the new scientific and sociological norms involved in this domain, that my first desire will always be to keep in line with modern times and to consult those who are responsible both for the evolution and the application of these new norms. Whatever new rules or principles have begun to be applied will continue to be applied. I also make the promise, to which I will hold very firmly, to keep abreast of any developments in this most important field.

Item agreed to.

15e. Exchequer Court of Canada, administration, $15,000.

Mr. Peters: Is it the intention of the government to proceed with the amendments to the exchequer court legislation for which we asked in the dying days of the session prior to Christmas? What are the intentions with regard to this problem?

Mr. Favreau: This item is on the order paper. It is our intention to proceed with it as early as possible because this is the clear intention of the government.

Mr. Herridge: Mr. Chairman, I am interested in this matter. I have had a lifelong interest in sheriffs, and sometimes they have not been too far behind me. I notice an item here for payments to sheriffs. I thought sheriffs were provincial officers. Will the minister explain how it is that the federal government are paying sheriffs' fees?

Mr. Favreau: Sheriffs are used by the exchequer court, although they may be provincial officers, just as bailiffs, who are provincial officers, are also used for the purpose of serving processes.

Item agreed to.

45e. Gratuities to the widows or other dependants of judges who die while in office, $10,000.

Mr. Peters: Would the minister tell us how many widows are involved here?

Mr. Favreau: Mr. Chairman, I know there are at least two cases of outstanding gratuities involved and there is also provision here for whatever increase is necessary as a result of the recent increases in the salaries of the judges themselves. These gratuities are given to all widows of judges. They are relatively small and represent a proportion of the salary of the judge. So there are the two factors involved here, the increase in judges' salaries and the fact that there are two of these gratuities which are outstanding.

Item agreed to.

LEGISLATION

40e. General administration—estimates of the Clerk, $362,500.

[*Translation*]

Mr. Gregoire: Mr. Chairman, I should like to say a few words on this matter. The matter under discussion here is the printing of debates. I am not sure which minister is responsible for that item to the house.

I wonder whether, before proceeding with our observations, the house leader should not tell us which minister of the government is responsible for the item now before us.

Mr. Lambert: It is Mr. Speaker.

Mr. Gregoire: Mr. Chairman, I understand it is the Speaker of the house himself.

On that matter, I should like to draw the attention of the house on the fact that the French version of the debates of the house are often late in reaching us so that, on many occasions, we have to come to the floor of the house for the next day's sitting without having received a copy of the order paper in French and without a copy of the debates.

Only today the same thing happened again; we did not receive the French copy of the order paper.

Mr. Lambert: Yes.

Mr. Gregoire: We did not receive the French copy today, but—

Mr. Lambert: Yes, I had it in my office.

Mr. Gregoire: Then, Mr. Chairman, there must be privileged people—

Mr. Lambert: It was in my post office box.

Mr. Gregoire: —who receive it before some others.

The same thing happens for the French translation and printing of committee reports.

I feel, Mr. Chairman, that you should report to the Speaker to that effect and ask him to bring about some improvements.

I know that there is a lack of reporters, interpreters, translators, etc., and I believe we have been complaining about that for two years in the house.

I feel the time has come for the government to take the necessary steps and see to it that French translations, French printings of committee reports, French editions of the order papers, of *Votes and Proceedings* and of the official record of the debates are made available to us at the same time as the English versions.

This is an important point, because it makes it more difficult for us when we receive them late.

Another point which I would like to mention, Mr. Chairman, and of which we had a typical example this evening—and this could perhaps be an important suggestion—is that a moment ago, the Minister of Justice referred to a page of *Hansard*. It was the English pagination, which is not the same as the French one.

It often happens that hon. members refer us to such and such a page of *Hansard*. I then look in the French copy of *Hansard*. Or when someone speaks in French and then the hon. members only have the English copy, they are rather lost because the pagination is not the same as on their English copy.

For instance, page 876 quoted tonight in the English version will probably be page 875 or still page 900 in the French version.

Mr. Chairman, I wonder whether house officials could not find means to use the same pagination in the English as well as in the French version of *Hansard*.

Mr. Lambert: It is impossible.

Mr. Gregoire: Some rather difficult problems will have to be overcome no doubt in order to achieve this result, but I think it would be worth while.

Sometimes I quote an extract from *Hansard* and several members are unable to refer to it, because my quotation is according to the French pagination, while some members only have the English edition on their desks. The same thing happens when English speaking members quote pages from the English *Hansard,* while I have in my hand the French copy.

So, on this item, I think that I am in order when I make this suggestion. The officers of the house who are in charge of the English and French versions of *Hansard* should be asked to see that the page numbers are exactly the same in both editions, English and French.

It might simply be a matter of skipping some page numbers in the English version, since the French version is always longer. It might also be a matter of putting less matter on each page in the English version. Perhaps the form and size of the pages in the French edition should be enlarged. At all events, I think this is a problem for which it might be worth while to provide a solution.

I leave it to the staff of the house. I hope other hon. members will be just as interested to have the same page numbers in both editions used by all hon. members. Finally, I would very much like to see the matter considered so that a solution may be found.

Mr. Lambert: Mr. Chairman, with reference to the suggestion or the request by the hon. member for Lapointe, he might perhaps be so kind, when proceeding with his research and finding the page in the English copy of *Hansard,* also to tell the house the corresponding page number in the French text. In this way, it would make things easier, and the problem would be automatically solved.

Mr. Gregoire: Mr. Chairman, it might be done in the majority of cases; indeed, I can well recall having done so on various occasions.

Mr. Lambert: And it has been appreciated.

Mr. Gregoire: But the problem is this: For instance, as it happened early this evening, when the Minister of Justice quoted the page number in the English version, he obviously had no time to find out the French page number owing to the speed of proceedings. Those are the very circumstances in which my suggestion would prove most valuable.

[*Text*]

Mr. Peters: Mr. Chairman, we are again on the general administration item under legislation. First of all, I should like to comment on the remarks that have just been made and advise the hon. member that the matter of French translation and French publications appears to some to be in the process of being eliminated by his leader and by the leader of the government. If matters develop as they appear to be doing in some of our provinces it may be that this will not be a problem very long. It should also be borne in mind that the problem was not much of a one for many years but has grown in magnitude recently.

I think the Speaker should be in the house tonight because we are dealing with items under legislation for which he is responsible. I am surprised how little action has been taken with regard to the problems raised by many members of the house the last time we were discussing these estimates. It seems to me, and I have said this before, that there should be better arrangements than we have in relation to the staff of the house.

The other day I asked whether or not the staff were going to be paid for the statutory holidays of Good Friday and Easter Monday. I understood this matter was receiving consideration. It is not good enough, Mr. Chairman, to grant the staff a day off. This is not the accepted practice of organized labour and I do not believe parliament should foist it off on the people who work for this institution merely because they are unorganized. The general principle is that if statutory holidays are worked they are paid for with double time. I suggest the government should give immediate consideration to paying the staff for these two days that were worked through no fault of the staff themselves.

I feel this matter should not have to be raised continually. The government should do this, at least if they believe in normal labour relations. I have had a number of complaints recently from several departments with relation to vacation pay. Since the employees of the House of Commons are now on an almost yearly basis and no longer truly temporary, I believe it is necessary for the government to consider this matter. Really, it is the responsibility of the Speaker as chairman of the internal economy committee. It is his responsibility to see that vacation pay is granted. The suggestion is made that the staff will have time off and be paid for the time off. This is not the same thing, Mr. Chairman. The annual vacation with pay period should be a period in which the employee can choose which week or two weeks he will be on holiday and will be paid for it. This is the normal procedure in business and certainly should be the normal procedure in government.

The last time this item was discussed, we were told that the translations branch of the House of Commons were being treated

disgracefully. There may be some explanation for what happened last week because it was generally understood there would be an Easter recess. However, during that week, as hon. members are aware business continued here and the members of the translation branch were divided between here and Quebec city. There were more members of our house translations staff in Quebec city than there were in the house. This meant that the normal rest periods provided for translators under international agreements in almost every other country of the world did not apply to Ottawa. I think this is a disgrace. The responsibility rests directly on the shoulders of the Speaker, who has done nothing about the problem although he is well aware of it.

There is another problem that has developed in relation to the cafeteria in the west block. This is a lovely building, but the men and women working in the cafeteria are on a split shift basis. They have a wash room in which they have to spend the two and a half hours between shifts, and it is not as big as the normal wash room in this building. This is not a rest room. If this room were in any other place some trade union officer would go to the Ontario government under the factories act and would be able to get better quarters than they have there now. I suggest that the Speaker take a look at the men's and women's wash rooms and then take a look at the room that is going to be the carpenter shop. It is a very attractive room and should be made the rest room for the staff in the west block, because it is adjacent to the wash room.

It seems surprising, Mr. Chairman, a member of parliament has to speak about these matters every time these estimates are before the committee. It seems to me that the Speaker has failed to do this job because he is not provided with the necessary people to tell him what the situation is. These matters should not have to be raised every time these estimates are before us. Do you know, Mr. Chairman, that some of the employees in the cafeteria receive the grand sum of $172 per month? This is less than a dollar an hour. No wonder the Liberal government has not agreed to put in a statutory minimum wage of $1.25 per hour. We do not pay our kitchen staff that kind of money. The take home pay of these employees is slightly over $120 and comes to a total of $170 with their meals. These people work on a split shift basis and have two and a half hours off in the afternoon. They leave at eight o'clock at night and they arrive here in time to make breakfast in the morning. I hope I do not have to raise this matter again, and that the Speaker or whoever is responsible will do something about it.

There are, of course, many other problems that affect this house. We are not in a very healthy state in so far as our relations with our ridings are concerned. I think it is generally conceded that what has happened in parliament the last little while has not improved the stature of parliament. There has been the question of the need for the elimination of the other place because they hold up these bills.

An hon. Member: What about you on divorce?

Mr. Peters: In my opinion, if the Liberal party had the gumption they would be justified in going to the electorate. The bill introduced by the hon. member for Winnipeg North Centre could easily be passed here, and then if it was turned down by the other place this would be a good election issue. Whether or not the method we use in this house is a satisfactory one from our point of view, it is certainly not satisfactory to the general electorate. I am sure that the majority—

Mr. Grafftey: Will the hon. member permit a question?

Mr. Peters: Yes.

Mr. Grafftey: I sincerely ask him this question. Does he feel the people of Canada want an election right now?

Mr. Peters: I am certain the people of Canada do not want an election right now. The reason they do not, Mr. Chairman, is that there is not going to be any change in this mess unless some of us who really believe in the democratic process are willing to make some changes in the system we use.

I think it is very difficult for a constituent to look at his member of parliament and say, "I am in communication with him, and what I suggest to him will finally be given a hearing in the house". How can anyone really say this to a backbencher of some of the political parties that have been in this house during the last 20 years? Tonight another member and I were discussing a certain gentleman who is never here. How would his constituents know whether or not he is here? How are they going to make an impression on him? How are they going to bring to his attention the needs that they may have.

It is necessary for us to make changes in our system. These changes have been brought about in other countries. The governments of few countries run their business as haphazardly as we do. As the hon. member for Medicine Hat mentioned a few minutes ago, this is the first opportunity we have had in a long time to discuss the Department of

Justice. I think we will all agree that we have abused the privilege of discussing supplementary estimates. Certainly many of the discussions we have been having should not take place on supplementary estimates. However, from the point of view of a member of parliament, Mr. Chairman, on what other occasion can these discussions take place? Many of these estimates have not been before us for almost two years. It seems to me a member of parliament has to take advantage of every opportunity as it comes along. The government has an obligation to decide when that opportunity is going to occur. I suggest we take a look at what some of the other countries in the world are doing. Most of them do not have a formal arrangement. They do not come to a deadline like Christmas and you will remember, Mr. Chairman, last year people cancelling their plane reservations because we were going beyond the day of adjournment for Christmas.

The Chairman: Order. I hesitate to interrupt the hon. member, but for the last few minutes he has been straying from the item before the committee. He has been discussing matters of procedure in the house, and this is the type of thing which should be discussed by a committee of the house that has already been set up for that purpose and is functioning. For that reason I think remarks along those lines would be out of order.

Mr. Peters: On the point of order, Mr. Chairman, this is a matter of the operations of the house, and legislation is the item which is under consideration. We are now dealing with administration, which is the general item covering operations of the house, and I suggest these matters are relevant. It is no use referring to the committee, because it has been a complete washout in so far as solving the problems that come under the general administration of legislation. In England, for instance, they have been trained to the idea of having set periods of time in the operations of the house of commons.

The Chairman: Order. I think the hon. member would agree with me that this is the very matter that has been referred by the house to a committee. I do not think the hon. member would want to argue with the Chair that until such time as the committee has reported and the matter comes again before the house it should not be discussed under this item, or indeed at any time while it is under consideration by that committee.

Mr. Peters: It may be that the committee has been established, but I am certain it has not been constituted.

The Chairman: For the hon. member's information it has. It has been sitting and has actually made its first report to the house.

Mr. Peters: It still does a very poor job. I would suggest—

Mr. Fairweather: I would suggest you sit down.

Mr. Peters: The hon. member says sit down. That is all he ever does and he is getting broad across the beam from sitting.

Mr. Fairweather: I would rather be broad across the beam than be broad across the head.

Mr. Peters: The hon. member makes a better speech sitting down than he does standing up. If ignorance were a criterion he would be a very good member of parliament.

The matter of the relationship between a member of parliament and his constituency will have to be considered or parliament itself will reach a very serious impasse. It seems to me that the general administration item of this department is the one under which this matter should be considered. However, I will bow to your direction, Mr. Chairman, but I hope that some of the other matters I have raised in relation to the staff will be given very serious consideration.

[*Translation*]

Mr. Plourde: Mr. Chairman, I will not be very long but, after the few remarks made by the hon. member for Timiskaming (Mr. Peters), I would like to give my side of the story. He says that we have been asking for our rights, as far as the French language is concerned, in the last few years only. Let us reverse the situation in the house for 24 hours only. Let us speak French only and let the English speaking element use the facilities put at our disposal in some committees.

The hon. member for Timiskaming is complaining because the hon. member for Lapointe wants to have identical page numbers in the French and English versions of *Hansard*. If we wanted to go further, as far as bilingualism is concerned, we should have a truly bilingual *Hansard*, that is to say the English version on one half of the page and the French version on the other. It would be a really bilingual book since each page would be written in the two official languages of the country.

When *Hansard* is printed solely in French, it is French; when it is printed in English only, it is English. I fail to see there any bilingualism.

Mr. Chairman, a truly bilingual book must have both languages on the same page, one

alongside the other, so that it can be read in both English and French.

What is bilingualism? The French Canadian citizen is not always insisting on his rights without rhyme or reason, but he is always given the cold shoulder. That has always been detrimental to the French Canadians and we are asserting our rights.

In conclusion, let us take, for instance, Beauchesne's standing orders—

Mr. Lambert: They are not the standing orders.

Mr. Plourde: There has always been only an English edition. How can we uphold our rights when we do not even have these regulations in our own language and we cannot learn them?

When we are provided with a French edition of standing orders, we can assure you that when we rise to speak, Mr. Chairman, we will be in order.

[*Text*]

Mr. Nasserden: Before this item passes, Mr. Chairman, I have one observation to make and it arises out of the role of the member of parliament. I think the best thing I can do is quote from an article in the Montreal *Star* of January 30, 1964.

Turner says M.P.'s power—

The Chairman: Order. I again hesitate to interrupt the hon. member, but it seems to me this would be out of order if he is discussing the role of members of parliament under this item. This is general administration, in the sense of the operation of the services of parliament, but does not concern the role of members, their responsibilities and duties in this chamber.

Mr. Nasserden: That might be quite right, except for one thing, that by the remarks I have made I may have misinterpreted what I had in mind. I would like to quote from this article which says:

Turner says M.P.'s power now a myth.

Liberal member of parliament John Turner, urging an overhaul of house procedures, yesterday called for the return of the power and influence of the individual M.P. which is now a "myth."

Addressing a meeting of the McGill University Liberal club, Mr. Turner, himself a relative newcomer to the political scene—condemned what he termed the "Monopoly of information," and challenged that the bureaucracy—"that mandarin class of faceless experts, protected by the cloak of anonymity of a government department, operating beyond the range of the people's control"—is fighting a running battle with members of parliament.

"The M.P.," he said "is losing that battle with the civil service."

The Chairman: Order. This comment is obviously out of order. Certainly what the hon. member is quoting now, and the remarks he is making, could not by any stretch of the imagination be considered to come within the ambit of the vote now before the committee.

Mr. Nasserden: It certainly has something to do with what is before the committee because it deals with legislation and the business of the house. He went on to say—

The Chairman: Order please. I would ask the co-operation of the hon. member. I am sure he will appreciate that the position of the Chair is rather difficult in a thing like this. I know the hon. member wants to speak for just a few minutes, but I feel very sincerely and earnestly that we cannot at this point discuss the role, duties and responsibilities of members of parliament. If I were to allow the hon. member to do so, I expect we would have quite a number of other speeches along the same line. Actually, I had to intervene with the hon. member for Timiskaming a few moments ago, who agreed with my ruling that he was out of order, and I would ask the hon. member to co-operate with the Chair by not pursuing those remarks further.

Mr. Nasserden: I would conclude my remarks then by quoting the hon. member for St. Lawrence-St. George who said: "The M.P. is losing that battle with the civil service".

Mr. Olson: On the point of order you have raised, Mr. Chairman, I think it was agreed when we began to discuss these supplementary estimates—and this has been said a number of times—that there would be latitude for a general discussion on the items as they came up. Here it says general administration.

Mr. McIlraith: Read the rest of it.

Mr. Olson: When the estimates for the 1963-64 fiscal year were brought into the house for discussion, they were brought in on December 21, the last day of the session, and were rushed through under the pressure of time. Since we have agreed that there should be fairly wide latitude, and since what the hon. member is now attempting to discuss is certainly within the ambit of what was considered to be that latitude, it should be allowed.

The Chairman: I have already had an opportunity this evening to express my views about this. I think I have extended to hon. members the degree of latitude to which the hon. member for Medicine Hat has referred. It is obvious that there must still be limits to our discussion and it is up to the Chair to exercise its right to determine when those limits are being exceeded although, as I have said, it has been recognized that we should have a general discussion in certain instances.

Mr. Nasserden: I have a few remarks yet to make, Mr. Chairman, and I should like to read from a newspaper article the words—

Some hon. Members: Order.

The Chairman: I again have to request the assistance and co-operation of the hon. member and ask him to abide by the ruling which has been made.

Mr. Lambert: On a point of order; I hope you will also rule, Mr. Chairman, that continuous interruptions are also against the rules. Continuous barking of "order, order" is also out of order.

Mr. Howard: I understood, Mr. Chairman, that you were about to ask if I intended to rise on a point of order. I was not. I agree I may not get very far in my remarks—

Mr. Nasserden: If the hon. member is not rising on a point of order may I conclude my remarks?

The Chairman: Is the hon. member raising a point of order?

Mr. Nasserden: No, Mr. Chairman.

The Chairman: Then, I would say that after hearing the hon. member for a minute or two, and being generous with him, I ruled that his remarks were not pertinent to the resolution before the committee. Perhaps he would look for another occasion upon which to make his contribution.

Mr. Nasserden: Well, in view of the hour, and other things, I will be glad to bow to that ruling though I do feel—and I say this in all sincerity—that my remarks, and the others I was about to make had a direct bearing on the matter which is now before the committee.

Mr. Howard: I had intended to deal with somewhat the same subject matter as my hon. friend from Timiskaming. I had intended to refer to the public dissatisfaction which exists with respect to the House of Commons, its members, its activities and our participation in them, and to suggest ways in which we might conduct ourselves in a better manner.

Some hon. Members: Hear, hear.

Mr. Howard: These are things we should be trying to do here, in order to deal with public business in a manner which is fair and reasonable and in keeping with our responsibilities. I think this is a matter of extremely vital concern. It would not have been raised by members from different parties within a brief period of time if it were not a matter of general concern to the public and to the members of this house. I think this is one of the things we should be doing—discussing among ourselves and searching for ways and means of making the operation of this parliament effective.

It is true we have abused the procedures of this house. We have abused the rules as they apply to the consideration of the very estimates which are now before us, and I have participated in that abuse.

An hon. Member: Shame.

Mr. Howard: That may be shame, or it may be applause, for some other reason. But I say I have. And I say that other hon. members have abused the procedures and the rules which we had established.

The Deputy Chairman: Order. I think when I consider the remarks which are now being made by the hon. member for Skeena in the light of the observations which were made a moment or two ago by the chairman, I have to say to the hon. member that I cannot consider his remarks at this time as being relevant to the item in the estimates before us. I would ask the hon. member to adhere as closely as possible to the item under consideration. I recognize that there has been some leniency shown on the debate on the first item, but I think we still have to recognize the rule of relevancy and I ask the hon. gentleman to do that.

Mr. Howard: Mr. Chairman, if you will consistently—and I do not only mean yourself as an individual; I include the others who occupy the chair from time to time—if you would consistently and persistently enforce that rule of relevancy I would be the first to support you. But, so far, this has not happened. Unfortunately, what has occurred is that there has been laxity allowed in debate on some items and constriction enforced with respect to other items. This is most unfair to members of the committee and it leaves open the question whether or not the degrees of rigidity or licence allowed on any particular item depend upon the quarter of the house in which the hon. members concerned sit. I know that is not so, but that question does occur and that is, particularly, why I went as far as I could in my remarks a moment ago so as to run foul of the rules, which I knew you had in the back of your mind, and which you were intending to use.

I am asking now, Mr. Chairman, for the orderly conduct of the business of this committee. I know you cannot speak for others who may occupy the position of chairman, but I am asking that you use, persistently, the heaviest possible gavel and crack down on all members who offend against the rules of relevancy, whether they happen to come from this quarter of the house, in the N.D.P. group, or whether the offender happens to be the Leader of the Opposition, or anybody else. If you will do that, you will find me the very first to support you all the way down the line.

My hon. friend behind me says: "Do it right away". I will do it right away by sitting down and let us hope I do not have to raise too many points of order about other people being out of order.

Mr. Nasserden: There is one other point on this item which I should like to raise. It

has to do with private members' bills. Since this government came to office bills which had been drawn up with the assistance of the assistant law clerk have from time to time been thrown out, when further study had been given to them after the Speaker had received them. I should like to persuade the minister of the desirability of providing for the assistance of the law officers so that when a bill has been drawn up by them for an hon. member and brought before parliament there shall be no question at that time with regard to whether or not the measure is fit to be presented to parliament. Surely, that is not too much to ask in the House of Commons of Canada. There could be a little saving if the proper scrutiny were given to the bills hon. members want to bring before the house prior to their being presented in the house. I just want to leave that thought with the government, because it is a practice that has grown up since this government came into office.

Mr. Alkenbrack: Mr. Chairman, I do not propose to belabour this point before the committee for very long, but as I came back into the chamber I noticed that the committee was on the legislation item and I do want to raise a point here that I am sure will be in order. I notice that this item involves the publishing of debates, and the next item is "Printing of other publications". I want to make a protest regarding the printing of *Routine Proceedings and Orders of the Day*. The reason I am making the protest is that there is distortion of questions by the various bureaus, whatever they may be, of the Speaker's department; that is, distortion of the questions that hon. members place on the order paper. This distortion causes the question to lose its democratic value out in the country and area to which the question applies. If an hon. member puts a question on the order paper, provided it is not, as we often hear Mr. Speaker say, argumentative, controversial or improper, I think it should be sustained as it is written.

I will give the committee an example. Last March 24 I put a question on the order paper regarding the mails of Canada. The question was directed to the department of the Postmaster General and referred to the mails in the county of Prince Edward. I submit, therefore, Mr. Speaker, that it certainly had a democratic, local interest, reason and value. The question read as follows:

> When will the Postmaster General open a post office in Rednersville, in Prince Edward county, in accordance with agreement to do so made with me by his predecessor last November?

I was giving the former postmaster general and the whole department the benefit of two months, because when I got back to my files I found he had made the agreement with me last September, not last November as I had written in the question. Hon. members will find this question—distorted, of course— on page 31 of today's *Routine Proceedings and Orders of the Day*. It was distorted by the bureau, or bureaus, as follows:

> Did the Postmaster General, during November last, agree to open a post office in the village of Rednersville, Ontario, and, if so—

Imagine—"if so":

> —when will such a post office be opened?

I had already told the Speaker and his bureau in my original question that the postmaster general had promised to open a post office in Rednersville. Mr. Chairman, I am sure you will agree with me that this is nothing but a flagrant distortion of a democratic question posed in the house for the benefit and in the interests of the constituents I represent in Rednersville, Prince Edward county. I hope that other hon. members, if they have met with this flouting of their purposes in being here, and the purposes of their representation in this chamber, will support me in this protest, because I am sure you will agree, Mr. Chairman, that this is a relevant and important point.

Some hon. Members: Hear, hear.

Mr. Nicholson: Mr. Chairman, would the hon. gentleman permit a question? Can the hon. gentleman name another single member of this house who has had a similar experience? The hon. member is making general statements. Can he name a single member on either side of this house who is in that position? The hon. member's question is being studied, but will he answer my question? He is making a general statement and I should like to know whether he can name any single member in any corner of this house who is in the same position.

An hon. Member: He doesn't get $27,000 a year to answer questions.

Mr. Alkenbrack: Yes, Mr. Chairman, I can name a single person who is in that position, and that is myself, the representative of the people at Rednersville who have been wronged.

Mr. Nicholson: I said, "any other single person". If the hon. gentleman would listen, I said, "any single person other than himself". His case is being studied. Is there any other person in the house who has had a similar experience?

Mr. Howard: Mr. Chairman, I wish to say just a few words and make a suggestion which I think is quite relevant to the item

of "Publishing debates" because it has to do with the debates. Some time ago as the result of a committee study it was established that a member could send 16 *Hansards* in a complimentary way to his constituents. In talking generally with some other members in the past year or two I find I am not alone in not only having my complimentary list filled, but in having people ask me from time to time if they can get *Hansard* in this way. I know that some hon. members obtain an additional copy or two of *Hansard* and send them out under their own frank to individuals, just as though they were on a complimentary list.

I think it is a fairly general desire on the part of hon. members to have a larger number of complimentary *Hansards* available to them. I have heard the figure of 50 suggested and I have heard other figures suggested. Whatever figure is chosen, it would naturally have to be an arbitrary one; but I think some alteration should be made and there should be an increase in the number of complimentary *Hansards* available. As I have said, the number now is 16, which I think was established—I am guessing now, but it was perhaps 1948 or somewhere about that time; it may even have been before that period of time—and this number is not sufficient.

I leave this suggestion, Mr. Chairman, with the appropriate official of government that handles these things. Perhaps we could have a very short expression of opinion from hon. members of other parties as to whether they agree with the suggestion that the number of complimentary *Hansards* should be increased.

Mr. Korchinski: Mr. Chairman, while I was standing on the sidelines I heard that the Postmaster General wanted further proof of such occurrences as the hon. member for Prince Edward-Lennox mentioned. I do not want to refer to the department under his administration, but I should like to point out to the Postmaster General that under the administration of the former postmaster general I placed a question on the order paper. I have not the particular question at the moment, but my question was:

> Was any correspondence forwarded to the Postmaster General by officials or any person within the constituency with regard to the appointment of a postmaster?

His reply stated, in effect, that no official correspondence was received by the department. I wish I could find the particular question, but owing to the lateness of the hour—

The Deputy Chairman: Order. I apologize for interrupting the hon. member for Mackenzie. As long as he wishes to discuss the questions on the order paper, or the way they are handled, I think he will be quite in order; but when he begins to discuss the merits of a question regarding the Post Office Department, I think he is not in order.

Mr. Korchinski: All I wanted to do, Mr. Chairman, was set on the record that there were other cases similar to the one mentioned by the hon. member for Prince Edward-Lennox.

Mr. Nicholson: With respect, Mr. Chairman, the hon. gentleman—

Some hon. Members: Order.

Mr. Nicholson: —is not dealing with the question I asked. Without in any way commenting on the previous administrator, my predecessor, I asked if there was any similar case on the part of any hon. member on either side of the house. He made the statement that there were several cases which had not received it for two months, and he quoted others. I said that there were no others during my administration.

Mr. Korchinski: I think I pointed that out.

Mr. Alkenbrack: I beg to differ with the minister. I did not say that I could quote other cases. I said that no doubt there are other members with similar cases.

Mr. Nicholson: With all respect to the hon. member, I think *Hansard* will speak for itself with regard to what the hon. member said.

Mr. Alkenbrack: I did not make the statement that there were other members with similar cases, because I cannot make that kind of statement.

[*Translation*]

Mr. Martineau: Before the item carries, Mr. Chairman, I should like to point out to the President of the Privy Council (Mr. McIlraith) that following the lack of proper organization of the business of the house, hon. members have had to sit at a time when they would normally have taken a recess. Consequently, a large proportion of the house staff has had to work under very trying conditions when they should normally have been enjoying a well-deserved rest.

As I stated at the beginning of my remarks, that is due mostly to the lack of organization shown by the government and I should like to point out especially to the President of the Privy Council who is engaged in a conversation with one of his colleagues at present, that he should look after the interests of the house staff. The latter had to work unusually hard due to the government's lack of foresight. I therefore submit that the staff should be compensated by means of additional holidays or by supplementary pay.

[*Text*]

Mr. Leboe: Mr. Chairman, I do not think we should let the remarks of the hon. member regarding questions on the order paper pass without my saying that I have had the utmost co-operation from the Clerk and assistant clerk of the house in connection with this matter. I do not think questions are put on the order paper to relate facts; I think they ask for information. I think the hon. member's problem is that he was making a statement which was not substantiated by the tabling of any items in this house. I want to say that I personally have had the utmost co-operation from the Clerk of the house.

Mr. Alkenbrack: On a question of privilege, Mr. Chairman, I was making a statement substantiated by a letter from the former postmaster general in the month of September, 1963. I should like to ask the member who just took his seat how a person can ask a question without making statements relevant thereto. How can anyone form an interrogative sentence in the English language without a certain amount of assertion implied by the interrogative form of the sentence?

Mr. Douglas: Mr. Chairman, I should just like to say to the government that I will not press this particular matter now, but two hon. members have already made mention of the working conditions of some of the staff of the House of Commons. I will not elaborate on the matter but I should like to say that I know of no place where working conditions are as poor as the working conditions of many of the people who work in the House of Commons. I hope the commissioners of internal economy, with the Speaker, will review this situation so that we will not have to raise it again when the regular estimates come up. If some steps are not taken to deal with the general working conditions of the staff here we shall have to raise the matter at greater length when the general estimates are before the house.

Item agreed to.

DEPARTMENT OF MINES AND TECHNICAL SURVEYS

Dominion coal board—

140e. Payments in connection with the movements of coal under conditions prescribed by the governor in council, $3,914,600.

Mr. Howard: Mr. Chairman, this item calls for an expenditure of $3,941,600 and I think we should be entitled to an explanation from the minister as to what detail is involved here.

Mr. Martineau: Mr. Chairman, I would join with my colleague from Skeena in asking the minister for some details of the tonnage of coal which is being transported under this subsidy. At the same time he might give us a breakdown of the figures for coal shipments to Japan, which have been consistent with this subsidy. I would also urge the minister to consider a repeated request which I am sure he has received from coal operators asking that this subsidy, rather than being placed on an annual order in council basis as it is at the moment, be placed on a regular basis by the early introduction of legislation in this house which would provide, on a long term basis, fixed subsidies to the coal operators. This in turn would produce two results, one of which would be to let the operators themselves know just what assistance they can count on in the years to come. Also—and this is very important—it would assist importers of coal. I think particularly of the Japanese who have come to Canada on a number of occasions and asked the government to declare its policy over a number of years, so that they can make firm commitments over a period of three, five, or even ten years. I am sure that the minister, who has at heart the interests of the coal industry, will see that this legislation is introduced shortly, and we should like to have the figures and information requested both by the hon. member for Skeena and myself.

The Deputy Chairman: Shall the item carry?

Mr. Martineau: I am wondering whether the minister can at least give us an answer. He may not have the figures available but I think he should give the committee some sort of undertaking in this regard.

Mr. McIlraith: The British Columbia tonnage of coal was 750,000 tons. The total cost was $2,362,500. That answers the first question. With regard to the other question, since this estimate is the closing out of last year's final supplementary estimates, the question of the form of the estimate for the new long term policy is surely a matter for the main estimates which have already been tabled. That part of the very valid point raised by the former minister will be covered in those main estimates.

Mr. Martineau: I am satisfied with that, provided the government does take the matter under consideration.

Mr. McIlraith: I can assure the hon. member that the matter is being given very active consideration.

Item agreed to.

Mr. Peters: Ten o'clock.

The Deputy Chairman: It being ten o'clock shall I rise, report certain resolutions, and request leave to sit again at the next sitting of the house?

Some hon. Members: Agreed.

Progress reported.

Resolutions adopted in committee of supply this day reported and concurred in.

BUSINESS OF THE HOUSE

Mr. Knowles: Tomorrow?

Mr. Favreau: Mr. Speaker, the business for tomorrow and for the days immediately ahead will be the same as announced last night. Tomorrow we shall try to complete, I hope, the too short debate on the supplementary estimates. If there is some time left for other government business we will take second reading of the Canada pension plan bill. On the first available full day and on the second available full day, which might be Thursday and Friday, we will complete the budget debate. After that we will take up the resolution to set up a joint committee to study the Canada pension plan bill, following which we will carry on with the second reading of the Canada pension plan bill.

Supply—Items Passed

It being four minutes after ten o'clock the house adjourned, without question put.

[The following items were passed in committee of supply this day]:

DEPARTMENT OF JUSTICE

A—Department—

1e. Departmental administration including grants and contributions as detailed in the estimates, $10,000.

10e. Supreme Court of Canada—Administration, $5,000.

15e. Exchequer Court of Canada—Administration, $15,000.

45e. Gratuities to the widows or other dependants of judges who die while in office, $10,000.

DEPARTMENT OF MINES AND TECHNICAL SURVEYS

B—Dominion coal board—

140e. Payments in connection with the movements of coal under conditions prescribed by the governor in council, $3,914,600.

LEGISLATION

House of Commons—

40e. General administration—Estimates of the clerk, $362,500.

35e. Grant to the Canadian North Atlantic treaty organization parliamentary association, $5,000.

HOUSE OF COMMONS

Wednesday, April 8, 1964

The house met at 2.30 p.m.

PRIVILEGE

MR. PIGEON—REPLY BY ASSOCIATE DEFENCE MINISTER RESPECTING OFFICERS' COMMISSIONS

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I rise on a question of privilege.

I asked the Associate Minister of National Defence if officers' commissions were written in both languages. Last Thursday, April 2, the minister answered as follows:

I am pleased to inform my hon. friend that officers' commissions have always been, and still are, obtainable in both languages.

I have here an open letter, published in the press and signed by Mr. Francois Gendron of the Canadian cadet service, in which he complains that the Department of National Defence sent him a commission written in English only.

Hon. Lucien Cardin (Associate Minister of National Defence): Mr. Speaker, I doubt very much that this is a question of privilege; nevertheless I will repeat to my hon. friend that commissions may be obtained in either English or French; the candidate can select either language.

A memorandum was even sent to all candidates reminding them that they can obtain their commissions in both languages.

[*Text*]

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

PUBLIC WORKS AND BUILDINGS, MEGANTIC CONSTITUENCY

Question No. 224—**Mr. Langlois:**

1. What sums of money did the Department of Public Works appropriate for works to be undertaken in the constituency of Megantic?
2. What are the federal buildings in the constituency of Megantic?
3. Where are they located, by whom are they administered and what is the yearly cost of this administration?

[*Translation*]

Mr. McWilliam: $36,800 for the fiscal year 1964-65. That amount includes maintenance charges.

2.

Building	Location	Departments housed
Public building	Black Lake	Post Office
Public building	Disraeli	Post Office and Unemployment Insurance
Public building	Plessisville	Agriculture, Post Office and Unemployment Insurance
Public building	Robertsonville	Post Office
Public building	St. Ferdinand	Post Office
Public building	Thetford Mines	National Revenue, Post Office and Unemployment Insurance

3.

Location	Administerd by	Annual maintenance cost
Black Lake	D.P.W.	$ 2,820
Disraeli	D.P.W.	4,044
Plessisville	D.P.W.	5,664
Robertsonville	D.P.W.	1,722
St. Ferdinand d'Halifax	D.P.W.	2,240
Thetford Mines	D.P.W.	17,607

[*Text*]

INVITATION TO PARTICIPATE IN WORLD FAIR

Question No. 426—**Mr. Latulippe:**

1. To date, how many countries have been asked by the world exhibition commissioner, Mr. Dupuy to participate in the 1967 world exhibition?
2. What countries have been invited, how many have accepted the invitation and how many expect to do so in the near future?
3. Were these invitations made by Canadian embassies, consulates or legations abroad and, if so (a) to whom were they made (b) by whom were they made (c) what responses were received?

Questions

[*Translation*]

Answer: 1. Invitations to participate in the 1967 world exhibition have been extended through diplomatic channels, as required by the international convention of 1928, to 133 countries and territories.

2. Attached is a list of countries invited. To date the acceptances of seven countries have been announced and the corporation is in correspondence with 35 to 50 others about their prospective participation. Those which have accepted are Austria, Belgium, Britain, France, the Federal Republic of Germany, Morocco and the Netherlands. It would not be in the public interest or courteous to the countries concerned to mention those which have indicated inability to participate. Already two countries which at first declined have now seen their way clear to participate. It would not be helpful to list those countries which, for the moment, indicate their inability to attend.

3. See attached list and answer to question 2.

Government—Invitation issued by:

Afghanistan: Permanent Mission of Canada to the United Nations in New York, U.S.A.

Albanian Peoples Republic: Permanent Mission of Canada to the United Nations in New York, U.S.A.

Algeria: Permanent Mission of Canada to the United Nations in New York, U.S.A.

Argentina: Canadian Embassy, Buenos Aires, Argentina.

Antigua: Office of the High Commissioner for Canada, London, England.

Australia: Office of the High Commissioner for Canada, Canberra, Australia.

Austria: Canadian Embassy, Vienna, Austria.

Barbados: Office of the High Commissioner for Canada, London, England.

Belgium: Canadian Embassy, Brussels, Belgium.

Bolivia: Canadian Embassy, Lima, Peru. (Canadian Ambassador to Peru also accredited to Government of Bolivia.)

Brazil: Canadian Embassy, Rio de Janeiro, Brazil.

Britain: Office of the High Commissioner for Canada, London.

British Guiana: Office of the High Commissioner for Canada, London, England.

British Honduras: Office of the High Commissioner for Canada, London, England.

Bulgaria: Permanent Mission of Canada to the United Nations in New York, U.S.A.

Burma: Office of the High Commissioner for Canada, Kuala Lumpur, Malaysia. (Canadian High Commissioner to Malaysia also accredited to government of Burma.)

Government—Invitation issued by:

Burundi: Permanent Mission of Canada to the United Nations, New York, U.S.A.

Byelorussia: Canadian Embassy, Moscow, U.S.S.R.

Cambodia: Canadian Embassy, Washington, D.C.

Cameroon: Canadian Embassy, Yaoundé, Cameroon.

Central African Republic: Canadian Embassy, Yaoundé, Cameroon (Canadian Ambassador to Cameroon also accredited to government of C.A.R.).

Ceylon: Office of the High Commissioner for Canada, Colombo, Ceylon.

Chad: Canadian Embassy, Yaoundé, Cameroon (Canadian Ambassador to Cameroon also accredited to government of Chad).

Chile: Canadian Embassy, Santiago, Chile.

China, Republic of: Department of External Affairs to Chinese Embassy in Ottawa.

Colombia: Canadian Embassy, Bogota, Colombia.

Congo (Capital: Brazzaville): Canadian Embassy, Yaoundé, Cameroon, (Canadian Ambassador to Cameroon also accredited to government of Congo (Brazzaville)).

Congo (Capital: Leopoldville): Canadian Embassy, Leopoldville, Congo.

Costa Rica: Canadian Embassy, San José, Costa Rica.

Cuba: Canadian Embassy, Havana, Cuba.

Cyprus: Canadian Embassy, Tel Aviv, Israel (Canadian Ambassador to Israel also accredited to the government of Cyprus).

Czechoslovakia: Canadian Embassy, Prague, Czechoslovakia.

Dahomey: Office of the High Commissioner for Canada, Lagos, Nigeria. (High Commissioner to Nigeria also accredited to government of Dahomey).

Denmark: Canadian Embassy, Copenhagen, Denmark.

Dominica: Office of the High Commissioner for Canada, London, England.

Dominican Republic: Canadian Embassy, Santo Domingo, Dominican Republic.

Ecuador: Canadian Embassy, Quito, Ecuador.

El Salvador: Canadian Embassy, San José, Costa Rica (Canadian Ambassador to Costa Rica also accredited to government of El Salvador).

Ethiopia: Permanent Mission of Canada to the United Nations, New York, U.S.A.

Finland: Canadian Embassy, Helsinki, Finland.

France: Canadian Embassy, Paris, France.

Gabon: Canadian Embassy, Yaoundé, Cameroon. (Canadian Ambassador to Cameroon also accredited to government of Gabon).

Germany: Canadian Embassy, Bonn, Germany.

Questions

Government—Invitation issued by:

Ghana: Office of the High Commissioner for Canada, Accra, Ghana.

Greece: Canadian Embassy, Athens, Greece.

Grenada: Office of the High Commissioner for Canada, London, England.

Guatemala: Canadian Embassy, Guatemala City, Guatemala.

Guinea: Office of the High Commissioner for Canada, Accra, Ghana (High Commissioner while resident in Accra is also Canadian Ambassador to Guinea).

Haiti: Canadian Embassy, Port au Prince, Haiti.

Honduras: Canadian Embassy, San José, Costa Rica (Canadian Ambassador to Costa Rica while resident in San José is also Canadian Ambassador to Honduras).

Hong Kong: Canadian Government Trade Commissioner, Hong Kong.

Hungary: Permanent Mission of Canada to the United Nations, New York, U.S.A.

Iceland: Canadian Embassy, Oslo, Norway (Canadian Ambassador to Norway also accredited to Government of Iceland).

India: Office of the High Commissioner for Canada, New Delhi, India.

Indonesia: Canadian Embassy, Djakarta, Indonesia.

Iran: Canadian Embassy, Tehran, Iran.

Iraq: Canadian Embassy, Beirut, Lebanon (Canadian Ambassador to Lebanon also accredited to government of Iraq).

Ireland: Canadian Embassy, Dublin, Ireland.

Israel: Canadian Embassy, Tel Aviv, Israel.

Italy: Canadian Embassy, Rome, Italy.

Ivory Coast: Office of the High Commissioner for Canada, Accra, Ghana (Canadian High Commissioner to Ghana also accredited to government of Ivory Coast).

Jamaica: Office of the High Commissioner for Canada, Kingston, Jamaica.

Japan: Canadian Embassy, Tokyo, Japan.

Jordan: Canadian Embassy, Beirut, Lebanon.

Kenya: Permanent Mission of Canada to the United Nations in New York, U.S.A.

Korea, Republic of: Permanent Mission of Canada to the United Nations in New York, U.S.A.

Kuwait: Canadian Embassy, Washington, D.C.

Lebanon: Canadian Embassy Beirut, Lebanon.

Laos: Canadian Embassy, Washington, D.C.

Liberia: Permanent Mission of Canada to United Nations, New York, U.S.A.

Libya: Permanent Mission of Canada to the United Nations, New York, U.S.A.

Liechtenstein: Canadian Embassy, Berne.

Government—Invitation issued by:

Luxembourg: Canadian Embassy, Brussels, Belgium. (Canadian Ambassador to Belgium also accredited to government of Luxembourg.

Madagascar: Permanent Mission of Canada to United Nations, New York, U.S.A.

Malaysia: Office of the High Commissioner for Canada, Kuala Lumpur, Malaysia.

Mali: Permanent Mission of Canada to the United Nations, New York, U.S.A.

Mauretania: Permanent Mission of Canada to the United Nations in New York, U.S.A.

Mexico: Canadian Embassy, Mexico City, Mexico.

Monaco: Canadian Embassy, Paris, France.

Mongolian Peoples Republic: Permanent Mission of Canada to the United Nations in New York, U.S.A.

Montserrat: Office of the High Commissioner for Canada, London, England.

Morocco: Canadian Embassy, Madrid, Spain, (Canadian Ambassador to Spain also accredited to government of Morocco).

Nepal: Permanent Mission of Canada to the United Nations, New York, U.S.A.

Netherlands: Canadian Embassy, The Hague, Netherlands.

New Zealand: Office of the High Commissioner for Canada, Wellington, New Zealand.

Nicaragua: Canadian Embassy, San José, Costa Rica. (Canadian Ambassador to Costa Rica als accredited to government of Nicaragua).

Niger: Office of the High Commissioner for Canada, Lagos, Nigeria. (Canadian High Commissioner to Nigeria also accredited to government of Niger).

Norway: Canadian Embassy, Oslo, Norway.

Nigeria: Office of the High Commissioner for Canada, Lagos, Nigeria.

Pakistan: Office of the High Commissioner for Canada, Karachi, Pakistan.

Panama: Canadian Embassy, San José, Costa Rica, (Canadian Ambassador to Costa Rica also accredited to government of Panama).

Paraguay: Canadian Embassy, Buenos Aires, Argentina. (Canadian Ambassador to Argentina also accredited to government of Paraguay.

Peru: Canadian Embassy, Lima, Peru.

Philippines: Canadian Consulate-General, Manila, Philippines.

Poland: Canadian Embassy, Warsaw, Poland.

Puerto Rico: Canadian Embassy, Washington, D. C.

Portugal: Canadian Embassy, Lisbon, Portugal.

Rumania: Permanent Mission of Canada to the United Nations, New York, U.S.A.

Questions

Government—Invitation issued by:

Rwanda: Permanent Mission of Canada to the United Nations, New York, USA.

Saudi Arabia: Permanent Mission of Canada to the United Nations, New York, USA.

San Marino: Canadian Embassy, Rome, Italy.

Senegal: Office of the High Commissioner for Canada, Lagos, Nigeria (High Commissioner to Nigeria also accredited to government of Senegal).

Sierra Leone: Office of the High Commissioner for Canada, Lagos, Nigeria. (Canadian High Commissioner to Nigeria also accredited to government of Sierra Leone).

Somalia: Permanent Mission of Canada to the United Nations, New York, U.S.A.

South Africa: Canadian Embassy, Pretoria, South Africa.

Spain: Canadian Embassy, Madrid, Spain.

St. Christopher-Nevis-Anouilla: Office of the High Commissioner for Canada, London, England.

St. Lucia: Office of the High Commissioner for Canada, London, England.

St. Vincent: Office of the High Commissioner for Canada, London, England.

Sudan: Canadian Embassy, Cairo, U.A.R. (Canadian Ambassador to U.A.R. also accredited to government of Sudan).

Sweden: Canadian Embassy, Stockholm, Sweden.

Switzerland: Canadian Embassy, Berne, Switzerland.

Syria: Permanent Mission of Canada to the United Nations, New York, U.S.A.

Tanganyika: Office of the High Commissioner for Canada, Dar-es-Salaam, Tanganyika.

Thailand: Office of the High Commissioner for Canada, Kuala Lumpur, Malaysia, (Canadian High Commissioner to Malaysia also accredited to government of Thailand).

Togo: Office of the High Commissioner for Canada, Accra, Ghana (Canadian High Commissioner to Ghana also accredited to government of Togo).

Trinidad and Tobago: Office of the High Commissioner for Canada, Port-of-Spain, Trinidad.

Upper Volta: Office of the High Commissioner for Canada, Accra, Ghana (Canadian High Commissioner to Ghana also accredited to government of Upper Volta).

Uruguay: Canadian Embassy, Montevideo, Uruguay.

Vatican: Department of External Affairs to Apostolic Delegate in Ottawa.

Venezuela: Canadian Embassy, Caracas, Venezuela.

Viet Nam, Republic of: Canadian Embassy, Washington, D.C.

Government—Invitation issued by:

Western Samoa: Office of the High Commissioner for Canada, Wellington, New Zealand.

Yemen: Permanent Mission of Canada to United Nations, New York, U.S.A.

Yugoslavia: Canadian Embassy, Belgrade, Yugoslavia.

Zanzibar: Permanent Mission of Canada to the United Nations, New York, U.S.A.

Tunisia: Canadian Embassy, Berne, Switzerland (Canadian Ambassador to Switzerland also accredited to government of Tunisia).

Turkey: Canadian Embassy, Ankara, Turkey.

Uganda: Office of the High Commissioner for Canada Dar-es-Salaam, Tanganyika (Canadian High Commissioner to Tanganyika also accredited to government of Uganda).

Ukraine: Canadian Embassy, Moscow, U.S.S.R.

Union of Soviet Socialist Republics: Canadian Embassy, Moscow, U.S.S.R.

United Arab Republic: Canadian Embassy, Cairo, U.A.R.

United States of America: Canadian Embassy, Washington, D.C.

[*Text*]

PUBLIC WORKS SUPPLIES PURCHASES, LAPOINTE COUNTY, QUE.

Question No. 429—**Mr. Gregoire:**

1. Is it the policy of the Department of Public Works, in purchasing maintenance supplies for public buildings, to buy such supplies locally?
2. Is this policy followed in Lapointe county?
3. How much did the department spend in Lapointe county, in 1963, on such maintenance products as soap, wax, paper, etc.?
4. How much was spent outside Lapointe county for those supplies which were to be used within the county?

[*Translation*]

Mr. McWilliam: 1. No. In the case of supplies which can be bought wholesale and which it was found to be more economical to buy from the manufacturer and to deliver wherever they are needed, the department's policy is to buy them wholesale.

2. The policy stated in answer No. 1 is followed in Lapointe county.

3. Nil.

4. $1,150.91.

[*Text*]

CIVIL DEFENCE OFFICERS

Question No. 462—**Mr. Latulippe:**

1. Is there an officer in any department of the federal government primarily responsible for civil defence?
2. Who is responsible in each of the Canadian provinces and in the Northwest and Yukon Territories?

3. Is there a federal commissioner of civil defence and, if so, in what manner is his office organized and how does it operate?
4. Among the Canadian armed forces, are there any specialized units for civil defence operations?
5. Has the government had any fairly recent talks on the subject of civil defence with the provincial attorneys general or representatives of the premiers of the provinces?
6. How many emergency centres and underground stations has the government built in (a) each province (b) what were the costs involved (c) who will be in charge of such stations?

Mr. Lamontagne: 1. The director of the federal emergency measures organization is responsible for co-ordinating the emergency planning activities of all federal departments and agencies, and providing assistance and guidance to provincial authorities.

2. Each province has appointed an officer who is in charge of the emergency planning activities in that province. Similarly, in the Yukon and Northwest Territories, the territorial authorities have designated emergency measures co-ordinators. The federal E.M.O. also has officers in each provincial capital to co-ordinate federal emergency planning activities with the plans developed by provincial authorities.

3. There is no official with the formal title of federal commissioner of civil defence. As has already been stated, the co-ordination of civil emergency planning at the federal level is the responsibility of the director of the emergency measures organization. Pursuant to order in council 1963-993 the organization has the status of a department of government. The Minister of Industry is the responsible minister. The organization is comprised of a headquarters staff in Ottawa, a civil defence college at Arnprior, and offices in each provincial capital.

4. All units both regular and militia undergo training in national survival and rescue work. At army headquarters there is a senior officer (major-general survival) with a staff, who is responsible for developing policy and plans for the Canadian army's role in survival operations and for the co-ordination of such matters with other government departments.

5. The last meeting with provincial ministers responsible for civil emergency planning was held in Ottawa on December 3, 1962, at which time all provinces were represented.

6. (a) A major emergency operating centre has been built in each of the following provinces: British Columbia, Alberta, Manitoba, Ontario, Quebec and Nova Scotia. In addition there is a complex of emergency facilities in the vicinity of Ottawa. (b) $55,610,000 including land, buildings, and equipment. (c) The emergency measures organization has been charged with the responsibility for developing these operating centres under arrangements with the army whereby the latter is responsible for their maintenance, operation, and security.

DUTIES OF POSTMASTERS WHERE RURAL POST OFFICES CONSTRUCTED

Question No. 474—**Mr. Coates:**

Will any postmasters be relieved of their duties as a result of the construction of new post offices in rural communities?

Mr. Nicholson: There will be no change in postmasterships as a result of the construction of new post offices in rural communities, provided the postmaster will meet the conditions of employment and is willing to move to the new building.

*CONTRACT FOR HEADSTONES AND MARKERS, HALIFAX, N.S.

Question No. 476—**Mr. Coates:**

Was the successful bidder, W. T. Dauphinee Limited, Shelburne, Nova Scotia, for the headstones and markers in the Halifax district for the Department of Veterans Affairs for the 12 month period commencing October 1, 1963, the bidder who submitted the lowest bid of $12,400 and, if not, which firm submitted the low bid of $12,400?

Mr. Teillet: The successful bidder, W. T. Dauphinee Limited, Shelburne, Nova Scotia, was not the bidder, who submitted the lowest bid of $12,400. The firm of Tingley Monuments Ltd., Amherst, Nova Scotia submitted the low bid of $12,400.

Treasury board have ratified and confirmed the action of the department in accepting the tender of W. T. Dauphinee Limited.

VETERANS HOSPITAL, LANCASTER, N.B.

Question No. 478—**Mr. Bell:**

1. What was the total cost of the Lancaster D.V.A. hospital?
2. How many patients have been treated each year since the end of world war II?
3. What percentage of these patients were from outside the Saint John metropolitan area?
4. What percentage of the patients are chronically ill?
5. What is the cost per bed per day?
6. What is the number of employees with their general classifications?

Mr. Teillet: 1. $4,729,993, including improvements and alterations to March 31, 1964.

2. 1949, 3,725; 1950, 3,889; 1951, 3,352; 1952, 3,373; 1953, 3,784; 1954, 3,901; 1955, 4,225; 1956, 4,076; 1957, 3,602; 1958, 3,867; 1959, 4,318; 1960, 3,902; 1961, 3,457; 1962, 3,816; 1963, 3,679.

3. 69 per cent at present. Past figures unknown.

4. 35 per cent.

5. The average cost per patient day is $20.42.

6. Number of employees and general classifications at March 1, 1964: housekeeping

and maintenance, 189; administrative, 3; clerical and secretarial, 58; technical, 18; professional, 30; dietary, 18; nursing, 190; total, 506.

LUMBER EXPORTS

Question No. 488—**Mr. Laprise:**

1. How many board feet of timber and lumber have been exported, since 1953 (a) from Canada (b) from each Canadian province?

2. What was the annual value of exports from each province since 1953?

[*Translation*]

Answer: 1. and 2. Statistics of exports by province of origin are not available. The figures contained in the attached table indicate the exports through the customs ports located in each province.

FIGURES FOR EXPORTS THROUGH CUSTOMS PORTS IN EACH PROVINCE

	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963
						Quantity in board feet					
Newfoundland	239	109	2,641	48	97	3,477	684	1,977	2,103	1,219	1,444
Prince Edward Island	4	8	3	6	3	2	—	—	—	—	—
Nova Scotia	44,907	74,701	88,766	60,530	50,198	28,876	26,015	30,637	50,706	57,680	58,183
New Brunswick	114,968	110,412	128,706	104,839	68,155	66,585	71,197	99,546	89,478	108,980	117,599
Quebec	243,073	262,266	343,723	296,090	259,063	244,150	299,717	331,875	374,618	374,129	352,232
Ontario	958,718	1,210,168	1,553,827	1,413,788	1,125,076	1,171,111	1,410,207	1,285,737	1,474,422	1,683,475	1,804,914
Manitoba	104,999	139,825	147,138	101,267	127,465	141,580	234,811	199,011	225,064	220,963	194,265
Saskatchewan	415,046	489,611	674,671	723,332	681,904	634,995	615,924	698,222	765,132	937,403	1,051,200
Alberta	494	57	51	94	56	71	72	231	380	1,241	1,574
British Columbia	1,481,528	1,745,710	1,663,043	1,235,568	1,323,413	1,631,980	1,510,827	1,926,868	1,954,027	2,074,402	2,656,516
Territories	786	645	595	599	67	126	495	229	709	736	747
TOTAL	3,364,762	4,033,512	4,603,164	3,936,161	3,635,497	3,922,953	4,169,949	4,574,333	4,936,639	5,460,228	6,238,674

	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963
						Value in dollars					
Newfoundland	17,010	9,372	180,797	3,890	7,196	274,647	55,712	164,755	170,572	98,766	120,944
Prince Edward Island	185	416	261	495	195	277	—	—	—	—	—
Nova Scotia	3,493,019	5,413,412	6,822,143	4,763,596	3,854,480	2,158,444	1,906,296	2,401,630	3,919,737	4,403,090	4,448,924
New Brunswick	9,835,530	8,926,952	10,835,587	9,313,067	6,197,302	5,861,331	6,170,094	8,461,346	7,392,475	8,978,160	9,569,558
Quebec	24,005,716	24,206,573	32,495,260	28,753,657	24,645,572	22,980,054	28,648,738	30,587,782	32,024,363	32,897,406	31,830,406
Ontario	79,569,265	92,657,866	124,466,301	115,723,860	85,294,914	85,170,803	110,036,728	96,998,312	102,453,814	118,099,435	127,141,536
Manitoba	7,034,979	9,279,250	11,021,983	7,825,462	8,878,034	9,190,075	16,802,381	12,880,240	13,766,224	13,362,096	11,775,035
Saskatchewan	35,929,177	41,545,860	58,591,140	59,469,882	50,338,339	47,007,986	48,561,468	50,852,762	52,156,437	63,621,494	70,772,382
Alberta	44,799	5,975	5,170	8,653	18,609	6,035	4,822	15,905	29,026	97,859	137,515
British Columbia	122,097,195	142,617,512	140,832,926	100,522,410	102,439,099	119,351,992	110,636,813	143,916,008	142,890,972	155,127,655	196,614,490
Territories	75,640	61,090	61,441	60,331	7,211	11,610	47,766	21,391	62,869	61,302	73,936
TOTAL	282,102,515	324,724,278	385,313,009	326,445,303	281,680,951	292,013,254	322,870,818	346,300,131	354,866,489	396,747,263	452,484,726

[*Text*]

*SALE OF CANADIAN ARSENALS, VALCARTIER, QUE.

Question No. 489—**Mr. Beaule:**

1. What companies have been approached regarding the sale of the Canadian Arsenals Ltd. plant at Valcartier, Quebec?
2. How much have these companies offered?
3. What are the government's latest undertakings in this matter?
4. As a condition of sale could it be guaranteed that all its employees will be retained by the purchaser and, if not, what percentage of the workers is it expected will be employed by the purchaser?
5. What will happen to employees who are contributing to the present pension fund?
6. Should the plant be sold, when would the purchaser take possession?

[*Translation*]

Mr. Drury: 1. The sale of the Canadian Arsenals Limited plant at Valcartier has been discussed with two companies, Canadian Industries Limited and Dupont of Canada Limited.

2. No offer has yet been received.

3. A tender call for the sale of the Valcartier plant was published throughout Canada on April 2, 1964.

4. No. In their offers, interested companies will indicate their intentions as to the retention of present employees.

5. According to the civil service superannuation act, employees may choose a deferred pension, a pension calculated on the basis of actuarial data or the refund of their contributions.

6. No date can be given until offers are received.

[*Text*]

VANDALISM AT POST OFFICE, ST. JOSEPH DE BEAUCE, QUE.

Question No. 515—**Mr. Perron:**

1. What police forces participated in the inquiry into the acts of vandalism perpetrated at the post office in St. Joseph de Beauce during the night of October 25, 1963?
2. What was the estimate of the damage?
3. What was the result of the inquiry?
4. To what penalty were the guilty parties subjected?
5. Does the R.C.M.P. consider the case closed?

[*Translation*]

Answer: The Quebec provincial police and St. Joseph municipal police. The R.C.M.P. was informed of the incident but did not take part in the inquiry.

2. $120.

3. The inquiry is not yet completed.

4. There was no arrest made yet.

5. Not applicable.

[Mr. Laprise.]

[*Text*]

TRANSFER OF CAMP HILL HOSPITAL, HALIFAX

Question No. 519—**Mr. Muir (Cape Breton North and Victoria):**

Have any discussions taken place or are any contemplated between the Department of Veterans Affairs and any municipal government or the government of Nova Scotia regarding the transfer of Camp Hill hospital at Halifax to either municipal or provincial authority?

Mr. Teillet: No discussions have taken place. No discussions are contemplated at present.

TRANS-CANADA HIGHWAY ROUTE, NEW BRUNSWICK

Question No. 567—**Mr. Flemming (Victoria-Carleton):**

1. Has the government of Canada agreed to change the route of the trans-Canada highway north of Hartland in Carleton and Victoria counties, province of New Brunswick?
2. If so, is the newly established route to be on the western side of the Saint John river from a point opposite Hartland to another point at or near Grand Falls?
3. Is the construction of another bridge contemplated across the Saint John river between the present trans-Canada bridge north of Hartland and the Perth-Andover trans-Canada bridge?
4. If so, what is the estimated cost of (a) the bridge across the Saint John river (b) the highway from Hartland north (c) what percentage of the total cost has the government of Canada agreed to pay?
5. Has consideration been given to using No. 2 highway, from the eastern end of the bridge across the Saint John river north of Hartland, in the county of Carleton, N.B., to the eastern end of the already constructed trans-Canada Perth-Andover bridge in the county of Victoria, N.B., with appropriate variation in the standard of width and visibility through built-up areas to lessen dislocation of residents as well as reduce expenses?

Mr. Deschatelets: 1. No requests for approval of such a change have been received.

2. Answered by No. 1 above.

3. No.

4. Answered by No. 3 above.

5. Yes, the route of the highway as now designated in the trans-Canada highway agreement follows No. 2 highway between the bridge at Hartland and the Perth-Andover bridge. Provision is also made in the agreement for the bypassing of any of the villages along the route by the shortest practical diversion where warranted by the dangers and inconveniences of passing through these populated areas. No submissions have been received to date from the province of New Brunswick relative to any change in the agreement for the construction of this section of the trans-Canada highway.

TUTOR JET AIRCRAFT

Question No. 574—**Mr. Stefanson:**

1. How many Tutor jet aircraft has the R.C.A.F. received delivery of to date?

2. Have the performance tests of this aircraft been completed?
3. Where were these carried out?
4. What are the results?
5. Have the flying instructors who have been selected to train pilots on this basic jet trainer received their training and, if so, where were they trained?
6. When will the pilot training program commence with this new jet trainer, and at what R.C.A.F. training stations?
7. What other aircraft will also be used at these training stations?

Answer: 1. The R.C.A.F. has accepted five Tutor aircraft to date.

2. The performance trials of the Tutor aircraft are not scheduled for completion until October 1, 1964. To date, only the cold weather portion of the performance trials has been completed.

3. Central experimental and proving establishment at R.C.A.F. station Uplands are responsible for conducting the flying portion of the performance trials. The cold weather trials were conducted at Churchill, Manitoba.

4. It would be premature to forecast the ultimate results of the performance trials at this time, however, the cold weather trials encountered only minor problems.

5. No.

6. It is proposed to commence the ab initio pilot training program in January 1965 at R.C.A.F. station Moose Jaw, Saskatchewan.

7. "Silver Star" (T-33) aircraft.

R.C.A.F. STATION GIMLI, MAN.—IMPROVEMENTS PLANNED

Question No. 575—**Mr. Stefanson:**

1. What construction projects or other improvements have been approved or are planned for R.C.A.F. station Gimli, Manitoba, with estimated cost?
2. When will tenders be called?

Answer: 1. No construction projects or other improvements are approved or planned for R.C.A.F. station Gimli, Manitoba in the fiscal year 1964-65. Requirements for future years are under consideration but no information is available on estimated costs.

2. Not applicable.

MAIL CONTRACT, AMOS—STE GERTRUDE PREISSAC, QUE.

Question No. 581—**Mr. Caouette:**

1. Who is the person responsible, or who are the persons responsible, for the transportation of mail from Amos to Ste Gertrude Preissac?
2. When was the contract awarded?
3. What is the duration of the contract?
4. What is the date of termination of the contract?
5. When will a new contract for transportation of mail be awarded?
6. Does the Post Office Department intend to call for public tenders?

[*Translation*]

Answer: 1. Mr. Charles Dumais, Ste Gertrude de Villeneuve.

2. January 1, 1961.

3. Four years.

4. December 31, 1964.

5. The present contract will be renewed or a new contract awarded effective January 1, 1965.

6. Mail contracts are normally reviewed three months before expiry at which time a decision is made to renew the contract or invite tenders.

[*Text*]

TRANS-CANADA HIGHWAY ROUTE, NEW BRUNSWICK

Question No. 583—**Mr. MacRae:**

1. Have consultations been held with the government of New Brunswick relative to the new location for the trans-Canada highway north of Mactaquac, as far as Meductic, both in the county of York, New Brunswick and, if so, has any agreement been reached as to such new location?
2. What is the estimated cost of this new routing presumably made necessary by the construction of the Mactaquac dam?

Mr. Deschatelets: 1. Yes, consultations have been held as to the possible effect of the Mactaquac dam on the location of the trans-Canada highway between Fredericton and Lower Prince William. No changes in the highway location between these points have been agreed upon to date.

2. See answer to No. 1.

MAIL CONTRACT, AMOS-MATTAGAMI, QUE.

Question No. 592—**Mr. Laprise:**

Was a new contract awarded for the carrying of mail between Amos and Mattagami and, if so (a) when did this contract come into effect (b) what is the duration of such contract (c) who were the tenderers (d) what is the amount of each tender (e) to whom was the contract awarded?

[*Translation*]

Answer: (a, b, c and d). A new contract has not been awarded but tenders for a contract of a four year duration have been received as follows:

Edouard Roy, Amos	$7,800.00
Jean Baptiste Carignan, St. Felix de Dalquier	9,000.00
Georges Carignan, St. Felix de Dalquier	9,000.00
Marcel Perrault, St. Felix de Dalquier	9,360.00
Henri Blais, St. Felix de Dalquier	9,500.00
Alphonse Caron, Landrienne	9,600.00
Germain Bolduc, box 52, Amos	9,900.00
Lorrain Lacroix, 162, 4th avenue, Amos	10,000.00
Fabrien Desrosiers, 11th avenue, R. R. 4, Amos	10,000.00

Questions

Aldee Bedard, Rochebaucourt	10,179.00
Narcisse Proulx, Ste Gertrude de Villeneuve	10,400.00
Fernand De Repentigny, 13 Main st. n., Amos, box 1263	10,450.00
Campbell Transport Ltee, box 89, Amos	10,686.00
Sylvio Frigon, Landrienne	11,660.00
Andre Pilotte, box 1087, Amos	11,700.00
Paul Marcel Baribeau, R. R. 1, Amos	11,760.00
Camille Boisvert, La Sarre	11,800.00
Antonio Dessureault, box 87, Amos	11,800.00
Donat Belzil, 1st avenue, Amos	11,850.00
Alexandre Labrecque, box 1735, Amos	11,880.00
Patrick Sirois, Mattagami	12,000.00
Amedee Plante, St. Felix de Dalquier	12,000.00
Omer Onesime Levesque, 332, 4th avenue, Amos, box 742	12,040.08
Marius Frigon, Landrienne	12,400.00
Wilfrid Bard, box 997, Amos	12,520.00
Gaston Rouleau, box 561, Amos	12,939.00
Wilfrid Charrois, 161 3rd avenue E., Amos	12,990.00
Paul Huard, 231, 1st avenue E., box 537, Amos	13,000.00
Viateur Bordeleau, Landrienne	13,000.00
Magny Transport Inc., 40 blvd. Mercier, Amos	13,500.00
Liguori Dionne, box 582, Amos	13,500.00
Mazenold Service Enrg., blvd. Gouin, Amos	14,000.00
Gravel Transport Enrg. (Yvon Gravel) 32, 6th avenue W., Amos	14,164.80
Mrs. Lise Magny, 141 blvd. Mercier, Amos	14,200.00
Adelard Nadeau, St. Felix de Dalquier	14,316.00
Andrien Tardiff, box 244, Amos	14,500.00
Herve Thibault, Amos	14,500.00
Richard Bilodeau, box 171, Amos	14,925.00
Real Ouellet, box 1527, Amos	15,000.00
Gerard Langlois, Amos	15,582.00
Rosaire Samson, R. R. 1, Amos	16,200.00
Wilfrid Trudel, box 1435, Amos	17,882.50
Desire Lacasse, box 516, Amos	20,000.00
Laurent Desrochers, box 851, 31, 3rd avenue E., Amos	21,300.00

(e) Decision pending.

[*Text*]

MAIL TRANSPORTATION TO OBEDJIWAN INDIAN RESERVE

Question No. 593—**Mr. Laprise:**

Was a postal transportation service established between some postal distribution point and the Indian reserve of Obedjiwan and, if so (a) how many times a week is that service carried on (b) who has the contract?

[Mr. Laprise.]

[*Translation*]

Answer: Yes, between Sanmaur and Obedjiwan. (a) One trip every two weeks. (b) Laviolette Air Services, Sanmaur, Que.

[*Text*]

*DEEP WATER HARBOUR, CHANDLER, QUE.

Question No. 594—**Mr. Vincent:**

Does the Department of Public Works intend to construct a deep water harbour at Chandler, Gaspe and, if so (a) what are the estimated costs (b) what percentage will be paid by the government and what percentage by the Gaspe Pulp and Paper Company (c) when will the work begin?

[*Translation*]

Mr. Robichaud: The department intends to construct a deep water wharf and a breakwater at Chandler.

(a) The detailed estimated costs are being prepared.

(b) Negotiations are being undertaken with a view to reaching an agreement in respect of cost sharing.

(c) The plans and specifications will be prepared just as soon as a final agreement is reached.

[*Text*]

COMPARATIVE COST SURVEY, HAMILTON FALLS HYDRO PROJECT

Question No. 596—**Mr. Mather:**

Has the government carried out a study or a survey to ascertain whether Canadian hydro development for Hamilton falls, Labrador has been made uneconomical by the growing availability of nuclear power at a lower than hydro power cost and, if so, what is the result of any such study or survey?

Answer: No such study has been undertaken by the government of Canada. The government has not been a party to any negotiations which may be going on in respect of the disposal of power developed at Hamilton falls, Labrador, nor is it aware of the precise power and transmission costs which may apply to that development. The government, of course, is keeping in close touch with the trends in the cost of power from nuclear sources.

TRANS-CANADA HIGHWAY, NOVA SCOTIA

Question No. 605—**Mr. Armstrong:**

1. Has the government of Canada agreed to a route for the trans-Canada highway between Antigonish and Sutherlands river, Nova Scotia and, if so, is the highway to pass through Kenzieville?

2. What work is to be done on this section in 1964-65?

3. What is the estimated cost of the work to be done in the present fiscal year?

4. When will tenders be called?

Mr. Deschatelets: 1. Yes, for those sections from Antigonish to James River and from the

vicinity of Broadway to Sutherlands River. No information is yet available in regard to the location in the vicinity of Kenzieville.

2. Detailed information on the complete provincial programming of its 1964-65 construction program has not been received to date. Present approvals include the grading and gravelling of 5.1 miles from Antigonish town line to James River, and similar work on 6.9 miles from Broadway to French River. Contracts for this work have been awarded.

3. The estimated cost of work covered by contracts awarded is $1,485,000. This amount will increase in the event that provincial planning includes additional work on this section of the highway.

4. The province proposes to call early tenders for the construction of a bridge over the French river. Details have not been received from the province on the timing of other projects between Antigonish and Sutherlands River.

TRANS-CANADA HIGHWAY BYPASS, NOVA SCOTIA

Question No. 606—**Mr. Armstrong:**

What was the cost of work done in 1963-64 on the bypass on the trans-Canada highway near Antigonish, Nova Scotia, and how much of this amount was paid by the government of Canada?

Mr. Deschatelets: The cost of work on the Antigonish bypass during 1963-64, shareable under the trans-Canada highway agreement, for which claims have been presented by the province of Nova Scotia totalled $161,-444.49. Payments by Canada on this account totalled $110,811.40.

RECEIPTS FOR CHARITABLE DONATIONS, QUEBEC

Question No. 609—**Mr. Laprise:**

1. Were income tax returns accompanied by receipts for charitable donations, for the years 1961-62, examined more methodically in the case of one province in particular, or were they treated the same for all parts of the country?

2. (a) What percentage of receipts for charitable donations not exceeding 10 per cent of a taxpayer's gross income were accepted or rejected for the years 1961-62 (b) what were the percentages (for receipts accepted and rejected) for the province of Quebec in the years 1961-62?

3. Is it present federal government policy to make any receipt for charitable donations in excess of $150 the object of special scrutiny if it comes from the province of Quebec?

Mr. McIlraith: 1. No, they were treated the same for all parts of the country.

2. The department does not keep statistics showing the percentage of charitable donations accepted or rejected.

3. No.

POST OFFICE CONSTRUCTION, ST. JEAN PORT JOLI, QUE.

Question No. 610—**Mr. Ricard:**

With respect to the construction of the post office at St. Jean Port Joli (a) how many tenders for the sale of land were received by the Department of Public Works (b) what was the price bid in each case (c) were tenders called for the construction of this building and, if so, on what date can work be expected to start?

[*Translation*]

Answer: (a) The department has received one tender.

(b) $5,000.

(c) No.

[*Text*]

POST OFFICE REVENUE, QUEBEC

Question No. 611—**Mr. Ricard:**

What was the revenue of each of the following post offices during the last fiscal year (a) Baie des Sables (b) Pont Rouge (c) St. Agapit (d) St. Jean de Dieu (e) Luceville (f) St. Croix (g) Hebertville Station (h) L'Epiphanie (i) Roxboro (j) St. Francois du Lac (k) Grandes Bergeronnes (l) Isle Verte (m) St. Timothee (n) St. Alexis des Monts (o) Lavaltrie (p) Chambly (q) St. Prime (r) Albanel (s) Cap St. Ignace (t) Beauceville East (u) Rawdon (c) St. Zacharie?

[*Translation*]

Answer: The revenue for the fiscal year 1963-64 is not yet available. The following is the revenue for 1962-63:

(a) Baie des Sables, $3,833.62; (b) Pont Rouge, $10,056.05; (c) St. Agapit, $7,473.88; (d) St. Jean de Dieu, $7,319.45; (e) Luceville, $5,625.86; (f) St. Croix, $11,331.73; (g) Hebertville Station, $3,844.89; (h) L'Epiphanie, $10,294.37; (i) *St. Genevieve (now Roxboro), $84,782.17; (j) St. Francois du Lac, $3,349.78; (k) Grandes Bergeronnes, $4,579.16; (l) Isle Verte, $5,993.87; (m) St. Timothee, $5,546.28; (n) St. Alexis des Monts, $4,058.51; (o) Lavaltrie, $4,040.03; (p) Chambly, $29,298.15; (q) St. Prime, $3,911.89; (r) Albanel, $4,634.99; (s) Cap St. Ignace, $15,432.40; (t) Beauceville East, $23,404.24; (u) Rawdon, $22,176.82; (v) St. Zacharie, $8,499.84.

*On July 29, 1963, the post office at St. Genevieve was closed and a new post office was opened at Roxboro.

[*Text*]

REPAIRS TO DOCK, KEMPENFELT BAY, ONT.

Question No. 613—**Mr. Madill:**

1. Has the government dock, 14 line, township of Innisfil, county of Simcoe (Kempenfelt bay, lake Simcoe) been inspected during the fiscal year 1963-64 by the Department of Public Works?

2. What was the condition of this dock?

3. What improvements were recommended?

4. What amount of money has been allotted for the needed improvement and repair?

5. When can we expect needed repairs to commence?

6. Does the government fully accept responsibility to individuals who are injured while using these facilities if the needed repairs are not done in 1964?

Mr. Deschatelets: 1. Yes, in July, 1963.

2. Good.

3. None.

4. Nil.

5. A further inspection will be carried out to determine if repairs are now needed.

6. The government accepts its responsibility as established by law in respect to the maintenance of its properties.

HEALTH INSURANCE *v.* PENSION PLAN, QUE.

Question No. 615—**Mr. Rondeau:**

Does the Prime Minister approve a statement to the effect that a health insurance program is more important for the province of Quebec than a pension plan?

Mr. Davis: This question was directed to the Prime Minister on March 24, 1964, and Mr. Pearson's answer will be found at page 1401 of *Hansard* of that date.

*REGULATIONS RESPECTING BABY SEAL SLAUGHTER

Question No. 620—**Mr. Mather:**

What steps are being taken to provide regulations which will put an end to the present slaughter of baby seals and to save the seal population from destruction?

Mr. Robichaud: As I stated in the house on March 26, page 1495 of *Hansard,* the whole matter of sealing operations on the Atlantic coast is under serious consideration and it is expected that before the opening of the 1965 sealing season more restrictive regulations will be in effect.

UNEMPLOYMENT INSURANCE DISQUALIFICATIONS, OWEN SOUND AND WALKERTON, ONT.

Question No. 626—**Mr. Loney:**

What was the number of disqualifications under section 54(2a) of the Unemployment Insurance Act for each month during the year 1963 in the area administered by the (a) national employment office, Owen Sound, Ontario, and (b) national employment office, Walkerton, Ontario?

Mr. MacEachen: The disqualifications under section 54(2a) were as follows:

1963	(a) Owen Sound	(b) Walkerton
January	40	36
February	47	31
March	36	24
April	34	25
May	41	31
June	30	21
July	29	12
August	44	12
September	32	14
October	42	19
November	29	22
December	49	24
Total	453	271

[Mr. Deschatelets.]

QUESTIONS PASSED AS ORDERS FOR RETURNS

SASKATCHEWAN—MID-CANADA LINE STATIONS ABANDONED

Question No. 208—**Mr. Cadieu (Meadow Lake):**

1. How many radar stations in the mid-Canada line have been or are to be abandoned in Saskatchewan?
2. What are the locations of these stations?
3. At which of these stations have the radar towers been destroyed or dismantled?
4. Was the government of Saskatchewan notified of the decision to abandon these stations and, if so, on what date?
5. Was the C.B.C. notified of the decision to abandon these stations and, if so, on what date was the government of Saskatchewan, the C.B.C. or any other body given an opportunity to acquire the radar towers at these stations?
6. When was each tower erected and at what cost?

NATIONAL RESEARCH COUNCIL BUDGETS

Question No. 316—**Mr. Slogan:**

1. What has been the budget of N.R.C. for each of the last ten years?
2. How much money in each of these years has been spent on medical research?
3. How much of this money has been spent on dental research and what dental research projects have been supported?

Return tabled.

MID-CANADA STATIONS CLOSED, MANITOBA

Question No. 477—**Mr. Simpson:**

1. On what date was active consideration of the closing of mid-Canada radar stations in the province of Manitoba commenced?
2. How many intermediate or Doppler sites in connection with the mid-Canada line were closed down in the province of Manitoba?
3. Was the C.B.C. notified of the decision that the Department of National Defence had no further use for the towers at these intermediate sites and, if so, on what date?

MOTIONS FOR PAPERS

CORRESPONDENCE BETWEEN LUC-GILBERT LESSARD AND TRANSPORT DEPARTMENT

Motion No. 30—**Mr. Langlois:**

That an order of the house do issue for a copy of all correspondence, letters, telegrams or other documents exchanged between maitre Luc-Gilbert Lessard, of Black Lake, Megantic county, and the Minister of Transport or the deputy minister or any officials of his department, since March 1, 1963.

Mr. McWilliam: In regard to motion No. 45, since there is no correspondence in connection with this motion probably the hon. member would like to withdraw it.

Mr. Speaker: This is motion No. 30.

[*Translation*]

Mr. Favreau: Mr. Speaker, I must advise the hon. member for Megantic that there is no correspondence as far as the Department

of Transport is concerned. Therefore, I wonder whether the hon. member wishes to maintain or to withdraw his motion.

Mr. Langlois: Mr. Speaker, would it be possible to adopt motions Nos. 30 to 52 inclusive, on the understanding that the motions relating to departments for which no correspondence is tabled will be withdrawn?

[*Text*]

Mr. Speaker: We must deal with motion No. 30. I understand from the minister that there is no correspondence. Does the hon. member wish to withdraw the motion?

Mr. Langlois: If there is no correspondence I will withdraw the motion.

Order discharged and motion withdrawn.

CORRESPONDENCE BETWEEN LUC-GILBERT LESSARD AND DEFENCE DEPARTMENT

Motion No. 31—**Mr. Langlois:**

That an order of the house do issue for a copy of all correspondence, letters, telegrams or other documents exchanged between maitre Luc-Gilbert Lessard, of Black Lake, Megantic county, and the Minister of National Defence or the deputy minister or any officials of his department, since March 1, 1963.

[*Translation*]

Mr. Favreau: Mr. Speaker, there has been no correspondence received by the Minister of National Defence.

[*Text*]

Order discharged and motion withdrawn.

CORRESPONDENCE BETWEEN LUC-GILBERT LESSARD AND JUSTICE DEPARTMENT

Motion No. 32—**Mr. Langlois:**

That an order of the house do issue for a copy of all correspondence, letters, telegrams or other documents exchanged between the Minister of Justice or the deputy minister or any officials of his department and maitre Luc-Gilbert Lessard, of Black Lake, Quebec, since March 1, 1963.

Motion agreed to.

CORRESPONDENCE BETWEEN LUC-GILBERT LESSARD AND PRIVY COUNCIL OFFICE

Motion No. 33—**Mr. Langlois:**

That an order of the house do issue for a copy of all correspondence, letters, telegrams or other documents exchanged between maitre Luc-Gilbert Lessard, of Black Lake, Megantic county, and the President of the Privy Council or any officials of his secretariat, since March 1, 1963.

Motion agreed to.

CORRESPONDENCE BETWEEN LUC-GILBERT LESSARD AND ASSOCIATE DEFENCE MINISTER

Motion No. 34—**Mr. Langlois:**

That an order of the house do issue for a copy of all correspondence, letters, telegrams or other documents exchanged between maitre Luc-Gilbert Lessard, of Black Lake, Megantic county, and the Associate Minister of National Defence, since March 1, 1963.

[*Translation*]

Mr. Favreau: Mr. Speaker, before the motion is put, I must point out that no correspondence has been received from Maitre Lessard by the Associate Minister of National Defence.

Mr. Gregoire: Received or sent?

Mr. Langlois: Mr. Speaker, did I hear the minister to say that no correspondence was received or sent?

Mr. Favreau: No correspondence in the sense of the motion.

[*Text*]

Order discharged and motion withdrawn.

CORRESPONDENCE BETWEEN LUC-GILBERT LESSARD AND MINISTER WITHOUT PORTFOLIO

Motion No. 35—**Mr. Langlois:**

That an order of the house do issue for a copy of all correspondence, letters, telegrams or other documents exchanged between maitre Luc-Gilbert Lessard, of Black Lake, Megantic county, and the Minister without Portfolio, since March 1, 1963.

[*Translation*]

Mr. Dupuis: There has been no correspondence.

[*Text*]

Order discharged and motion withdrawn.

CORRESPONDENCE BETWEEN LUC-GILBERT LESSARD AND SOLICITOR GENERAL

Motion No. 36—**Mr. Langlois:**

That an order of the house do issue for a copy of all correspondnce, letters, telegrams or other documents exchanged between maitre Luc-Gilbert Lessard, of Black Lake, Megantic county, and the Solicitor General, since March 1, 1963.

Mr. Favreau: Can this motion stand, in view of the absence of the Solicitor General?

Mr. Langlois: Agreed.

Motion stands.

CORRESPONDENCE BETWEEN LUC-GILBERT LESSARD AND HEALTH AND WELFARE DEPARTMENT

Motion No. 37—**Mr. Langlois:**

That an order of the house do issue for a copy of all correspondence, letters, telegrams or other documents exchanged between maitre Luc-Gilbert Lessard, of Black Lake, Megantic county, and the Minister of National Health and Welfare or the deputy ministers or any officials of that department, since March 1, 1963.

[*Translation*]

Mr. Favreau: Mr. Speaker, I am told that an answer to this motion would entail extensive research in at least 100,000 files. Such being the case, the hon. member might perhaps agree to let his motion stand, let us say for a week, so that it could be discussed with the minister concerned, namely the Minister of National Health and Welfare, with a view of restricting, if possible, the scope on the purpose of the motion.

Mr. Langlois: Mr. Speaker, I agree to the conditions and suggestion stated by the minister.

Motion stands.

[*Text*]

CORRESPONDENCE BETWEEN LUC-GILBERT LESSARD AND AGRICULTURE MINISTER

Motion No. 38—**Mr. Langlois:**

That an order of the house do issue for a copy of all correspondence, letters, telegrams or other documents exchanged between maitre Luc-Gilbert Lessard, of Black Lake, Megantic county, and the Minister of Agriculture or the deputy minister or any officials of his department, since March 1, 1963.

[*Translation*]

Mr. Favreau: Mr. Speaker, there is no correspondence.

[*Text*]

Mr. Beer: There is no correspondence in connection with this motion.

Order discharged and motion withdrawn.

CORRESPONDENCE BETWEEN LUC-GILBERT LESSARD AND SECRETARY OF STATE DEPARTMENT

Motion No. 39—**Mr. Langlois:**

That an order of the house do issue for a copy of all correspondence, letters, telegrams or other documents exchanged between maitre Luc-Gilbert Lessard, of Black Lake, Megantic county, and the Secretary of State or the under secretary or any officials of his department, since March 1, 1963.

[*Translation*]

Mr. Lamontagne: Mr. Speaker, there is no correspondence.

Mr. Langlois: As for notice of motion No. 39, would there not be any correspondence?

Mr. Favreau: Mr. Speaker, I understand that the Secretary of State has stated there was no correspondence exchanged.

[*Text*]

Order discharged and motion withdrawn.

CORRESPONDENCE BETWEEN LUC-GILBERT LESSARD AND TRADE AND COMMERCE DEPARTMENT

Motion No. 40—**Mr. Langlois:**

That an order of the house do issue for a copy of all correspondence, letters, telegrams or other documents exchanged between maitre Luc-Gilbert Lessard, of Black Lake, Megantic county, and the Minister of Trade and Commerce or the deputy minister or any officials of his department, since March 1, 1963.

[*Translation*]

Mr. Favreau: There was no exchange of correspondence either between the person referred to in the motion and the Minister of Trade and Commerce.

[*Text*]

Order discharged and motion withdrawn.

CORRESPONDENCE BETWEEN LUC-GILBERT LESSARD AND MINES AND TECHNICAL SURVEYS DEPARTMENT

Motion No. 41—**Mr. Langlois:**

That an order of the house do issue for a copy of all correspondence, letters, telegrams or other documents exchanged between maitre Luc-Gilbert Lessard, of Black Lake, Megantic county, and the Minister of Mines and Technical Surveys or the deputy minister or any officials of his department since March 1, 1963.

[*Translation*]

Mr. Favreau: Mr. Speaker, again, there was no correspondence exchanged between the person mentioned in the motion and the Minister of Mines and Technical Surveys.

[*Text*]

Order discharged and motion withdrawn.

CORRESPONDENCE BETWEEN LUC-GILBERT LESSARD AND NORTHERN AFFAIRS DEPARTMENT

Motion No. 42—**Mr. Langlois:**

That an order of the house do issue for a copy of all correspondence, letters, telegrams or other documents exchanged between maitre Luc-Gilbert Lessard, of Black Lake, Megantic county, and the Minister of Northern Affairs and National Resources or the deputy minister or any officials of his department, since March 1, 1963.

[*Translation*]

Mr. Favreau: One comment to make, Mr. Speaker. No correspondence was exchanged between the person concerned and the Minister of Northern Affairs and National Resources.

[*Text*]

Order discharged and motion withdrawn.

CORRESPONDENCE BETWEEN LUC-GILBERT LESSARD AND NATIONAL REVENUE DEPARTMENT

Motion No. 43—**Mr. Langlois:**

That an order of the house do issue for a copy of all correspondence, letters, telegrams or other documents exchanged between maitre Luc-Gilbert Lessard, of Black Lake, Megantic county, and the Minister of National Revenue or the deputy minister or any officials of his department, since March 1, 1963.

Mr. McIlraith: Mr. Speaker, with regard to notice of motion No. 43, there is no such correspondence in the head office of the Department of National Revenue; but since the person referred to is a practising lawyer it is conceivable that there could be correspondence in the district tax office. However, I would point out in that connection that if there is any such correspondence, if it relates to individual tax returns it is not producible under the law; it is required to be kept confidential.

Mr. Speaker: Then the motion should be withdrawn.

Mr. Langlois: I will accept it, subject to the reservation stated by the minister, Mr. Speaker.

Mr. Speaker: Did I understand the hon. member for Megantic to say that he would accept the motion under reservation? Because the Chair expressed the opinion that it should be withdrawn.

Mr. Langlois: Mr. Speaker, according to the statement of the minister, if there is any correspondence at the local taxation office relating to private taxation forms or papers, I am not entitled to have that. I agree with that. If there is any other correspondence I would like to have it. If there is not any, I will withdraw the motion.

Mr. Speaker: Is it the pleasure of the house to adopt the said motion, subject to the reservation stated by the minister?

Motion agreed to.

CORRESPONDENCE BETWEEN LUC-GILBERT LESSARD AND LABOUR DEPARTMENT

Motion No. 44—**Mr. Langlois:**

That an order of the house do issue for a copy of all correspondence, letters, telegrams or other documents exchanged between maitre Luc-Gilbert Lessard, of Black Lake, Megantic county, and the Minister of Labour, or the deputy minister or any officials of his department, since March 1, 1963.

[*Translation*]

Mr. Favreau: Mr. Speaker, no correspondence was exchanged between the person mentioned in the motion and the Minister of Labour.

[*Text*]

Order discharged and motion withdrawn.

CORRESPONDENCE BETWEEN LUC-GILBERT LESSARD AND PUBLIC WORKS DEPARTMENT

Motion No. 45—**Mr. Langlois:**

That an order of the house do issue for a copy of all correspondence, letters, telegrams or other documents exchanged between maitre Luc-Gilbert Lessard, of Black Lake, Megantic county, and the Minister of Public Works or the deputy minister or any officials of his department, since March 1, 1963.

[*Translation*]

Mr. Favreau: Same answer in the case of the Minister of Public Works.

[*Text*]

Order discharged and motion withdrawn.

CORRESPONDENCE BETWEEN LUC-GILBERT LESSARD AND FISHERIES DEPARTMENT

Motion No. 46—**Mr. Langlois:**

That an order of the house do issue for a copy of all correspondence, letters, telegrams or other documents exchanged between maitre Luc-Gilbert Lessard, of Black Lake, Megantic county, and the Minister of Fisheries or the deputy minister or any officials of his department, since March 1, 1963.

[*Translation*]

Mr. Favreau: Since the information requested would require a great deal of research in departmental files, could I suggest, Mr. Speaker, for the reason mentioned earlier, that the hon. member's motion stand for another week, in order that the matter may be discussed with the Minister of Fisheries?

[*Text*]

Motion stands.

CORRESPONDENCE BETWEEN LUC-GILBERT LESSARD AND VETERANS AFFAIRS DEPARTMENT

Motion No. 47—**Mr. Langlois:**

That an order of the house do issue for a copy of all correspondence, letters, telegrams or other documents exchanged between maitre Luc-Gilbert Lessard, of Black Lake, Megantic county, and the Minister of Veterans Affairs or the deputy minister or any officials of his department, since March 1, 1963.

[*Translation*]

Mr. Favreau: I would like to make the same suggestion in regard to this motion, on behalf of the Minister of Veterans Affairs.

[*Text*]

Motion stands.

CORRESPONDENCE BETWEEN LUC-GILBERT LESSARD AND DEFENCE PRODUCTION DEPARTMENT

Motion No. 48—**Mr. Langlois:**

That an order of the house do issue for a copy of all correspondence, letters, telegrams or other documents exchanged between maitre Luc-Gilbert Lessard, of Black Lake, Megantic county, and the Minister of Defence Production or the deputy minister or any officials of his department, since March 1, 1963.

[*Translation*]

Mr. Favreau: Mr. Speaker, there was no correspondence.

[*Text*]

Order discharged and motion withdrawn.

CORRESPONDENCE BETWEEN LUC-GILBERT LESSARD AND CITIZENSHIP AND IMMIGRATION DEPARTMENT

Motion No. 49—**Mr. Langlois:**

That an order of the house do issue for a copy of all correspondence, letters, telegrams or other documents exchanged between maitre Luc-Gilbert Lessard, of Black Lake, Megantic county, and the Minister of Citizenship and Immigration or the deputy minister or any officials of his department, since March 1, 1963.

[*Translation*]

Mr. Favreau: Mr. Speaker, there was no correspondence.

[*Text*]

Order discharged and motion withdrawn.

CORRESPONDENCE BETWEEN LUC-GILBERT LESSARD AND FORESTRY DEPARTMENT

Motion No. 50—**Mr. Langlois:**

That an order of the house do issue for a copy of all correspondence, letters, telegrams or other documents exchanged between maitre Luc-Gilbert Lessard, of Black Lake, Megantic county, and the Minister of Forestry or the deputy minister or any officials of his department, since March 1, 1963.

[*Translation*]

Mr. Favreau: There was no exchange of correspondence with the forestry department.

[*Text*]

Order discharged and motion withdrawn.

CORRESPONDENCE BETWEEN LUC-GILBERT LESSARD AND FINANCE DEPARTMENT

Motion No. 51—**Mr. Langlois:**

That an order of the house do issue for a copy of all correspondence, letters, telegrams or other documents exchanged between maitre Luc-Gilbert Lessard, of Black Lake, Megantic county, and the Minister of Finance or the deputy minister or any officials of his department, since March 1, 1963.

[*Translation*]

Mr. Favreau: Same answer: No correspondence with the finance department.

[*Text*]

Order discharged and motion withdrawn.

CORRESPONDENCE BETWEEN LUC-GILBERT LESSARD AND EXTERNAL AFFAIRS DEPARTMENT

Motion No. 52—**Mr. Langlois:**

That an order of the house do issue for a copy of all correspondence, letters, telegrams or other documents exchanged between maitre Luc-Gilbert Lessard, of Black Lake, Megantic county, and the Secretary of State for External Affairs or any officials of his department, since March 1, 1963.

[Mr. Favreau.]

[*Translation*]

Mr. Favreau: I give the same answer on behalf of the Secretary of State for External Affairs: No exchange of correspondence.

[*Text*]

Order discharged and motion withdrawn.

DISPOSITION OF INDIAN RESERVE LANDS, BURNS LAKE, B.C.

Motion No. 60—**Mr. Howard:**

That an order of the house do issue for a copy of all applications for, and inquiries relating to the purchase, lease or rental of Indian reserve lands in the Burns lake Indian agency since January 1, 1963.

Mr. Favreau: Mr. Speaker, may I suggest that the hon. member for Skeena allow this motion to stand, in view of the absence of the Minister of Citizenship and Immigration.

Mr. Howard: Agreed.

Motion stands.

QUEBEC—CORRESPONDENCE RESPECTING UNIVERSITY GRANTS

Motion No. 69—**Mr. Langlois:**

That an order of the house do issue for a copy of all correspondence, letters, telegrams or documents exchanged between the Prime Minister or any minister of the government and any universities of the province of Quebec, regarding grants between December 1962 and March 1, 1964.

Motion agreed to.

REPRESENTATIVE LISTS OF SUPPLIERS

Motion No. 78—**Mr. Nielsen:**

That an order of the house do issue for a copy of the representative list and/or representative lists of suppliers (now in use) as defined by paragraph 2 (e) (ii) of the government contracts regulations being P.C. 1954-1971 dated December 16, 1954 from each department of the government.

Mr. McIlraith: Mr. Speaker, for reasons I have explained to the hon. member personally, I understand he is agreeable to standing these motions appearing in his name.

Mr. Nielsen: That is correct, Mr. Speaker.

Motion stands.

REPORT UNDER GOVERNMENT CONTRACTS REGULATIONS

Motion No. 79—**Mr. Nielsen:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house a copy of any report made to the governor in council or to the treasury board (since April 8, 1963) pursuant to paragraph 3 (4) of the government contracts regulations being P.C. 1954-1971 dated December 16, 1954.

He said: Mr. Speaker, in view of my discussions with the minister this motion as

well as Nos. 80, 81 and 84 can stand. I suggested that perhaps Nos. 88 and 89 might be combined with No. 84, if the minister wishes to hasten matters that way.

Mr. Speaker: Motions Nos. 79, 80, 81 and 84 stand.

Motions stand.

R.C.M.P. SPACE IN MUNICIPAL BUILDING

Motion No. 86—**Mr. Howard:**

That an order of the house do issue for a copy of all observations and reports concerning space or the location thereof for the R.C.M. Police as referred to in the answer given to question No. 300 of the present session of parliament.

Mr. Favreau: Mr. Speaker, could I ask the hon. member for Skeena whether he would be patient with me for one more week. I know he had the kindness to stand the motion last week, but it has not yet been possible for me to get this information. However, I am sure I can deal with this matter next week.

Mr. Howard: We are full of patience today, Mr. Speaker.

Motion stands.

MAIL ROUTE CONTRACT, RIVER JOHN, N.S.

Motion No. 91—**Mr. MacEwan:**

That an order of the house do issue for a copy of all correspondence, telegrams or other documents exchanged between the government and any agency or branch thereof, and any other person, group or organization, regarding the R.R. 1 River John, Pictou county, Nova Scotia, mail route contract.

Mr. Nicholson: Mr. Speaker, I think the third last word in the second line of this motion should be "or" instead of "and". If that substitution is made the motion is acceptable.

Mr. Speaker: Subject to the reservation expressed by the minister, is it the pleasure of the house to adopt the said motion?

Motion agreed to.

PRIVILEGE

MR. COATES—INFORMATION REQUESTED IN WRITTEN QUESTION GIVEN TO MINISTER

Mr. Robert C. Coates (Cumberland): Mr. Speaker, I rise on a question of privilege. Question No. 5 standing on the order paper in my name is dated February 18. It relates to information which I endeavoured to obtain from the government regarding the construction of the federal penal institution at Springhill, Nova Scotia. I have in my hand a release appearing in the Halifax *Chronicle-Herald* of April 1, 1964 which reads as follows:

Tenders on construction of the new young offenders institution at Springhill will be called by mid-April and the federal government expects to award the contract by the end of April, for a construction start early in May, labour minister MacEachen said Tuesday.

Mr. MacEachen, Nova Scotia's representative in the federal cabinet, also told the *Chronicle-Herald* that a $254,590 contract for provision of high temperature water generators and auxiliary equipment at the institution had been awarded to Dominion Bridge Company of Montreal.

The content of that press release, Mr. Speaker, is the information I seek in my question which is on the order paper. Yet the government has been willing to provide the information to the Minister of Labour and to disregard my rights as a member of this house.

MR. RICARD—REQUEST FOR ANSWER TO QUESTION ON ORDER PAPER

[*Translation*]

Hon. Theogene Ricard (St. Hyacinthe-Bagot): Mr. Speaker, I have not yet received a reply to the starred question I put on the order paper on February 20 concerning the salary increase of the C.B.C. president.

The other day I asked the Secretary of State if he could answer the question. It seems to me that it should not take so long to get information justifying the salary increase from $20,000 to $40,000 a year which was granted to the president of the C.B.C.

I should be most happy if the Secretary of State would provide a reply to that question today.

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, I am not sure if that will be possible, but I will get in touch with the C.B.C. immediately to satisfy the hon. member.

[*Text*]

EXTERNAL AFFAIRS

CYPRUS—INQUIRIES RESPECTING PEACE KEEPING FORCE

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs. Is he in a position to give a report regarding the incident that took place yesterday in Cyprus in which members of the Canadian contingent of the United Nations force was involved? At the same time, is he now in a position to give the house further information regarding the directives to the force and the circumstances under which the force may act when its freedom is interfered with?

Inquiries of the Ministry

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, with regard to the last part of the question, the position is no different from what it was last week, when I said that it was not in the interests of the force and of the assignment given to the force to give the directives. This was the position taken yesterday in the British House of Commons by Mr. Sandys when he indicated that the matter was one that rested with the secretary general and pointed out, as I pointed out last week, that directives to armed forces as such are never given out by any authority. Mr. Sandys said:

> Since recent incidents have caused some anxiety I think it right to inform the house that we are satisfied that the directions under which the United Nations troops have been operating give them adequate authority to use such force as may be absolutely necessary for self defence and to enable them to discharge their mission. The secretary general has assured us that he recognizes that the force must have the powers necessary to fulfil its task.

With regard to the first part of the right hon. member's question, General Gyani who is in charge of the force has made representations respecting this matter to the government of Cyprus.

Mr. Diefenbaker: What attitude has the Canadian government taken and what representations has it made regarding Canadians being interfered with as they were?

Mr. Martin (Essex East): I may say to my right hon. friend that Canada is not holding itself aloof from developments which could have a bearing on the outcome of the problem in Cyprus. We have a high commissioner accredited to the government of Cyprus and he is in continuous contact with the Cypriot authorities. Our permanent mission to the United Nations is similarly in constant contact with the secretary general and the United Nations officials directing the United Nations peace keeping operation. We are availing ourselves of these proper channels for the expression of our views on such matters as freedom of movement for the United Nations force which was guaranteed by the Cypriot government in the status of forces agreement. I tabled yesterday copies of that agreement which clearly is not yet fully effective.

I might say that the Canadian and British forces in Cyprus deserve the highest commendation for the restraint they have shown in the trying circumstances which have arisen when freedom of movement has been temporarily denied to them. I am satisfied that the operations of the peace keeping force have reduced considerably the very great potential danger which existed on that island a few weeks ago and which has not completely disappeared.

[Mr. Diefenbaker.]

Mr. Diefenbaker: After all that verbiage will the minister now answer the question? Has the Canadian government made a protest with regard to the interference by Cypriots with that portion of the Canadian force that was interfered with yesterday?

Mr. Martin (Essex East): Mr. Speaker, I am sorry that my method of response does not satisfy the right hon. gentleman. It is not my fault if I do not possess his great capacity for lucid expression, but I cannot add anything to what I have said.

Mr. Diefenbaker: Loose expression.

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, would the Secretary of State for External Affairs undertake to request the secretary general of the United Nations to release and publish the directives that were given to the troops, inasmuch as it is reported in the *Globe and Mail* this morning that in the parliament of the United Kingdom yesterday Mr. Sandys agreed to do this?

Mr. Martin (Essex East): Mr. Speaker, the views of Canada with regard to the directives were discussed by me with the secretary general about 10 days ago. With respect to the action taken by Mr. Sandys I can say that there is consultation on this point, but I am convinced from the information available to me now that the course taken by the secretary general in the circumstances is the right course; it is in the interests of fulfilling the assignment for which the international police force was established.

So far as the hon. member's question is concerned, I suggest that he might look at the status of forces agreement tabled yesterday; I think that agreement would perhaps give him some satisfaction.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, in view of the fact that the situation in Cyprus has been further complicated by the repudiation by President Makarios of the treaty with Turkey, may I ask the Secretary of State for External Affairs if he himself, directly or through the secretary general, will make representations to Archbishop Makarios to make it perfectly clear that this parliament authorized Canadian forces as part of the United Nations force to maintain peace in Cyprus but not to protect the government of Cyprus against the consequences of its unilateral repudiation of an existing treaty?

Mr. Martin (Essex East): Mr. Speaker, the British government, the government of Turkey and the government of Greece are parties to the 1960 agreement. I would call my hon. friend's attention to the attitude taken by the British government in this matter; that government would have a treaty qualification to

complain about any act that would involve the abrogation of treaty rights. The course this government must follow, based on the information before us, must be dictated by our view of the effect this will have on the fulfilment of the mission for which the force was established. Our representative in Nicosia is in contact with the government of Cyprus, and with the head of that government, Archbishop Makarios. In my judgment it is not in the public interest for me to say anything further at this time.

Mr. Douglas: A further supplementary question, Mr. Speaker. In view of the fact that the foreign minister of Turkey has made it clear that any interference with the small Turkish force in Cyprus will lead to hostilities, I hope that the Secretary of State for External Affairs will make it very clear to the president of Cyprus that Canada would take a very dim view of having Canadian forces caught in a series of hostilities brought about by actions of the government of Cyprus.

Mr. Martin (Essex East): Mr. Speaker, my hon. friend may well be assured that his point of view as expressed now and the point of view of the Canadian government, are not basically different.

[*Later:*]

Mr. G. W. Baldwin (Peace River): I have a question for the Secretary of State for External Affairs which I should have asked earlier, because it is supplementary to those asked about the Cyprus situation. However, I wanted to make quite sure it was framed in such a way that the hon. gentleman would understand it. Does the government, with full knowledge of the facts, or with its knowledge of the facts, after assessing the detail of the terminology of the directives from the secretary general, accept responsibility for those directives being satisfactory in the exigencies of the situation?

Mr. Martin (Essex East): I thank the hon. member for having put his question in language that I can understand. The question was so simple that the response is yes.

LABOUR RELATIONS

GREAT LAKES—PROTEST RESPECTING PRESIDENT OF SEAMEN'S UNION

On the orders of the day:

[*Translation*]

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, I should like to direct a question to the Minister of Labour.

Has the minister received from the directors of the great lakes maritime union a telegram in which they protest strongly against the appointment of Mr. McLaughlin as president of that organization and, if so, what does he intend to do about it?

[*Text*]

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, I have received the telegram, and I intend to reply to it.

[*Later:*]

Mr. A. B. Patterson (Fraser Valley): Mr. Speaker, I would like to direct a question supplementary to the one directed by my colleague the hon. member for Lake St. John to the Minister of Labour, and ask whether he considers the objections raised in the telegram from the S.I.U. to be valid objections; and could he indicate what his response is going to be to this telegram?

Mr. MacEachen: Mr. Speaker, the telegram to which the previous question referred was not from the S.I.U., that is, the telegram I looked at this morning. The telegram I looked at was not in my judgment a fully accurate picture of the facts, and I would like to point that out in my reply.

Mr. Patterson: May I say that this telegram is from the S.I.U. members of the rights and welfare committee.

Mr. MacEachen: I shall check on that particular telegram, which to my knowledge I have not received yet.

Mr. Speaker: The hon. member for Quebec West.

[*Translation*]

Mr. Lucien Plourde (Quebec West): Mr. Speaker, the question I wanted to put has already been answered.

[*Text*]

PENSIONS

CANADA PLAN—REPORTED ONTARIO INTENTION TO NOT PARTICIPATE

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister. In view of the report in this afternoon's Ottawa *Citizen* of the speech made to the Canadian club in Toronto today by Premier Robarts, in which he is reported to have all but announced the Ontario government's intention to stay out of the Canada pension plan, can the Prime Minister say whether this differs from the understanding he had at the Quebec conference? Could he also say whether the federal government is still doing its best to persuade Ontario to stay in the Canada pension plan?

Inquiries of the Ministry

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I have not had an opportunity of reading this report, let alone the text of what the premier of Ontario said. I will be very interested in getting the text of what he said and making any appropriate comments after I have studied it.

DOMINION-PROVINCIAL RELATIONS

SUGGESTED ESTABLISHMENT OF SECRETARIAT

On the orders of the day:

Mr. Heward Grafftey (Brome-Missisquoi): I should like to direct my question to the Prime Minister. Can the Prime Minister advise whether he intends that the proposed committee to study federal-provincial tax questions and priorities be set up as a permanent body for federal-provincial relations?

Right Hon. L. B. Pearson (Prime Minister): The question of a permanent body of that kind was not discussed at Quebec. It was not considered during our discussion as a permanent body.

Mr. Grafftey: May I ask a supplementary question, Mr. Speaker. Did the federal government initiate any discussions at all relating to the establishment of a permanent secretariat for federal-provincial affairs at the conference in Quebec last week?

Mr. Pearson: Yes, we put the matter on the agenda and initiated discussion. The means of liaison between federal and provincial governments is a matter of considerable importance in which my hon. friend has already expressed a very deep interest. It is a very significant question. However, the general viewpoint expressed by the provinces was that it was more important at the moment to develop machinery for liaison between the governments inside each government rather than set up a joint liaison committee in Ottawa at this time. It was agreed, although this matter will be considered again, to see how this kind of liaison works before considering setting up a permanent joint liaison committee.

Hon. Paul Martineau (Pontiac-Temiscamingue): In so far as this liaison committee is concerned, has the Prime Minister heard from Premier Lesage since last week as to whether or not he will join it?

Mr. Pearson: Premier Lesage at the conference called attention to the fact that he had been the first to act, and there is already a highly developed piece of machinery in his government for that purpose. We already knew about that.

[Mr. Knowles.]

AGRICULTURE

LEGALITY OF ACTIONS DURING TRANSFER OF DUTIES

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): I should like to ask the Minister of Justice if he is able to inform the house of the results of the research of the law officers of the crown on the orders in council affecting the respective powers of the Minister of Agriculture and the Minister of Forestry?

Hon. Guy Favreau (Minister of Justice): I am not yet in a position to advise the house as to these matters which I have undertaken to consider.

Mr. Lambert: Is the minister able to tell us when he may be able to give us that opinion?

Mr. Favreau: As soon as I have occasion to receive a report from my officers and discuss it with them, and then take the responsibility for it.

Mr. Lambert: Will that be next year?

REQUEST FOR ANNOUNCEMENT OF DAIRY PRODUCTS SUPPORT PROGRAM

On the orders of the day:

[*Translation*]

Mr. Clement Vincent (Nicolet-Yamaska): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. Could he tell the house what the government intends to do to support dairy products prices, under the Agricultural Prices Support Act, for the year beginning May 1, 1964?

[*Text*]

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, we have to make the dairy announcement soon because the dairy year starts on May 1. We hope to be able to do this in the next week or so. We were delighted with last year's policy whereby dairy prices were higher than they had been for a number of years. We were able to level off production and consumption of butter, and we hope to be bringing in a policy that will be even better for 1964.

[*Translation*]

Mr. Vincent: A supplementary question, Mr. Speaker. Is the minister aware that this policy was announced on March 22, 1962?

[*Text*]

Mr. Hays: I would like to correct that. The dairy policy is announced just before May 1. We announced it in plenty of time last year, and it did work.

ADMINISTRATION OF JUSTICE

REQUEST FOR STUDY OF ALLEGED WIRE TAPPING BY POLICE

On the orders of the day:

Mr. R. Gordon L. Fairweather (Royal): I wonder if the Minister of Justice would undertake to make an immediate study of the allegations made by a retired sergeant of the Royal Canadian Mounted Police, who was reported in the Montreal *Gazette* today as saying that he was appalled at the degree to which wire tapping is used by the police in Canada.

Mr. Speaker: The hon. member for Queens-Lunenburg.

Mr. Fairweather: May I expect an answer?

Mr. Speaker: I was going to suggest that the question would be a proper one for the order paper, and I noticed that the minister seemed to agree since he did not rise to answer.

Hon. Guy Favreau (Minister of Justice): I did not think it was a question but rather a suggestion that I should look into the matter. If that is a question, my answer is yes.

ONTARIO—REPORT OF POLICE COMMISSION ON ORGANIZED GAMBLING

On the orders of the day:

Mr. Reid Scott (Danforth): I have a question for the Minister of Justice. Has the government received representations from the government of Ontario, or from anybody on its behalf, for amendments to the Criminal Code or any other legislative changes arising out of the Ontario police commission report on organized gambling in Ontario? If so, what were the representations and what was the nature of the government's response?

Mr. Speaker: It seems to me that this is also a question for the order paper.

COMMONWEALTH RELATIONS

REPORTED INTENTION TO INCREASE AID TO WEST INDIES

On the orders of the day:

Mr. Lloyd R. Crouse (Queens-Lunenburg): I should like to direct a question to the Minister of Trade and Commerce. In the Halifax *Chronicle-Herald* under date of April 7, 1964 there is an article reporting that the minister made a statement in Bridgetown, Barbados to the effect that the Canadian government had announced a big increase in international aid and that some of this aid would be directed toward the British Caribbean.

Inquiries of the Ministry

In view of the importance to the maritime provinces of increasing trade between our area and the West Indies, would the minister now tell the house the amount and type of aid planned by his government for the British Caribbean?

Hon. Mitchell Sharp (Minister of Trade and Commerce): I know the hon. gentleman does not expect me to make any statement outside the house that has not already been made in the house. The statement I was referring to in Barbados was one made by my colleague the Secretary of State for External Affairs.

NATURAL RESOURCES

REPORTED DANGER TO FISH LIFE FROM PESTICIDES

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): I wish to address a question to the Minister of Northern Affairs and National Resources. Before doing so, I cannot resist saying that never have I seen so much colour produce so little glamour.

In view of the fact that studies in the United States have proven that pesticides are much danger to fish life in streams, has the government received any complaints along similar lines in Canada? If so, what action does he intend to take?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): May I first of all thank the hon. member for his compliments on the celebration that we, in his old party, are enjoying today. I might say, Mr. Speaker, that the Liberal party in British Columbia is still waiting for the resignation of the one-time vice president of the Liberal association of that province.

I want to thank the hon. member for having asked this question. I am quite sure that most Canadians are impressed by the report of the United States government in respect of losses that have occurred as a result of pesticides, particularly in water pollution. I am quite certain that those members of this house who were on the splendid committee last year investigating this matter will realize that many of the losses sustained in the United States are duplicated in this country. I am writing to the resource ministers of the various provinces suggesting that pollution of water, soil and air might well be a subject for discussion at the forthcoming resource ministers' conference to be held in Prince Edward Island in June.

Mr. Herridge: Glad to hear it.

Inquiries of the Ministry

PUBLICATIONS

EXEMPTION FROM SALES TAX OF "READER'S DIGEST" AND "TIME"

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): Will the Minister of Finance advise the house whether he intends to remove the so-called exempt status for two magazines, *Time* and *Reader's Digest,* in the light of reports of growing pressure within government ranks to have this exemption lifted?

LABOUR CONDITIONS

REQUEST FOR EXTENSION OF WINTER WORKS PROGRAM

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I would like to ask a question of the Minister of Labour Is it his intention to consider prolonging the winter works program after April 30, especially in the designated areas which are suffering so much from unemployment?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, I shall be glad to consider this proposal.

COMBINES

POSSIBLE PRICE FIXING BY CANADIAN SUBSIDIARIES OF U.S. COMPANIES

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I would like to direct a question to the Minister of Justice. Could he advise whether the officers of his department under the Combines Investigation Act are looking into the implications of the price fixing charges in the United States which might involve Canadian subsidiaries of the said companies and their activities in Canada?

Hon. Guy Favreau (Minister of Justice): May I take that question as notice, Mr. Speaker.

BRITISH COLUMBIA—SALE OF MEAT PACKING COMPANY

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, on March 5 I directed a question to the Minister of Justice concerning a specific company, Pacific Meat Co. Ltd. on the west coast, the sale of that company to another company, and the restrictive covenant in that agreement of sale. The question was taken as notice by the parliamentary secretary, and inasmuch as a bit more than a month has elapsed, I wonder if the minister could indicate whether he has an answer to the question or, if it has been answered, where I might find it in *Hansard.*

[Mr. Herridge.]

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, I will undertake to answer that tomorrow.

NORTHERN AFFAIRS

QUEBEC—ADMINISTRATION OF ESKIMO AFFAIRS

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, I I have a question for the Prime Minister. Can he inform the house whether the government has now abandoned its idea of sloughing off its jurisdiction with regard to Eskimos in nouveau Quebec?

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker, that was never the intention.

Mr. Nielsen: As a supplementary question, can the Prime Minister say when it is the intention of the government to set up the commission that was announced would be set up last May 4 by his minister of northern affairs?

Mr. Pearson: I shall have to take that as notice.

VETERANS AFFAIRS

POSSIBLE TRANSFER OF HOSPITALS FROM FEDERAL CONTROL

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I would direct a question to the Minister of Veterans Affairs which arises out of a telegram and another message from veterans, asking whether a decision has been made by the government to turn over the Colonel Belcher hospital in Calgary to the municipal authorities. Is there any further information in this connection, or is the matter still up in the air?

Hon. Roger Teillet (Minister of Veterans Affairs): Mr. Speaker, the position with respect to the Colonel Belcher hospital is the same as I indicated the other day, that negotiations are going on. Talks are being held and we are in the process, as I understand from checking it yesterday, of nearing a point where perhaps some agreement might be specifically talked about. I might be a day or so behind in my information, because I have not the full information in front of me, but there is no decision on it as yet.

Mr. Diefenbaker: Does the minister mean that negotiations are going on between the municipal authorities and the Department of Veterans Affairs to turn the hospital over to the municipal authorities?

Mr. Teillet: Talks are going on between the province of Alberta and the department with reference to the Colonel Belcher hospital.

Mr. Diefenbaker: Are the veterans being consulted or have they been consulted in recent days, and are they agreeable to this?

Mr. Teillet: I have not discussed this with the veterans in recent days, but the veterans were present at the original discussions. Until we have a complete proposal to talk about we do not see any point in discussing it with them at this time.

Mr. Speaker, while I am on my feet may I answer some questions that were asked the other day, one I believe by the hon. member for Cape Breton North and Victoria with reference to Camp Hill hospital. I have the reply that I indicated then, that we have received no complaints in the department.

However, following the hon. gentleman's question there was a question by the hon. member for Cape Breton South, and I can state that the occupancy during the course of 1963 in Camp Hill hospital of patients falling under treatment sections 19 to 21 V.T.R., that is the military people, people coming under the Canadian Shipping Act and the R.C.M.P., was on the average 11 beds. No entitled veteran has been denied admission to Camp Hill hospital as a result of this activity.

Mr. D. V. Pugh (Okanagan Boundary): I should like to direct a question to the Minister of Veterans Affairs with regard to veterans hospitals and his answers to the Leader of the Opposition concerning the Colonel Belcher hospital in Calgary. Do the talks with the government of Alberta mean that the government here in Ottawa now has the intention of going ahead and turning the care of these veterans over to civil or provincial authorities?

Mr. Teillet: I did not get the last part of that question, Mr. Speaker. I wonder if the hon. member would repeat it.

Mr. Pugh: Is it the intention of this government to turn over the veterans hospitals to the provincial authorities? Is the Colonel Belcher hospital discussion a preliminary, or a pilot? Is it a starter, or the first one, and is the same thing to apply to all veterans hospitals throughout Canada?

Mr. Teillet: As to the last part of the question, it would be impossible for me to generalize along those lines. As to the first part, if we can be satisfied that we shall be given the necessary safeguards and guarantees so that veterans' rights will definitely be protected, it is our intention to proceed with it.

Mr. W. H. A. Thomas (Middlesex West): I wish to direct a supplementary question to the Prime Minister. On March 30, in answer to a question regarding these hospitals the right hon. gentleman answered as follows:

> I think it would be the intention, Mr. Speaker, that the hospitals be left in the control of the department.

I should like to ask the Prime Minister whether this answer also applies to the Colonel Belcher hospital in Calgary?

Mr. Teillet: The question of control, surely, involves two things. I do not like to discuss matters which are under negotiation, but the probability is that the buildings will remain under the control of the department. In the second place, we shall certainly remain in control when it comes to deciding who shall be admitted to hospital. We shall decide whether or not a veteran is admissible; that is not to be left in the hands of any civil authority, as was made clear the other day.

Mr. Baldwin: Are you not a civil authority?

Mr. Teillet: In that sense certainly we shall retain control.

REQUEST FOR EXTENSION OF ALLOWANCES FOR CHILDREN

On the orders of the day:

Hon. Roger Teillet (Minister of Veterans Affairs): Mr. Speaker, I was asked another question by the hon. member for Colchester-Hants, with reference to the extension of family allowances. I should like to report to the hon. member that all these sections of the veterans charter—there are three acts, I believe—make it possible for allowances to be continued beyond the ages of 16 and 17 in any case, based on the academic advance made, up to the age of 21, and in the case of children of war dead to the age of 25.

GRAIN

BARLEY—REASON FOR LOWER PRICE THIS YEAR

On the orders of the day:

Hon. Mitchell Sharp (Minister of Trade and Commerce): Yesterday the hon. member for Humboldt-Melfort-Tisdale asked me a question about the initial payment on barley announced by the wheat board two days ago. The average final payment on barley of the 1962 crop was 18.2 cents per bushel compared with 30.2 cents per bushel for the 1961 crop, or 12 cents per bushel lower.

There are two reasons for this decline. First, the carrying charges applicable to the pool account just closed were 4 cents per bushel higher than the carrying charges applicable to the 1961-62 pool account. Second, the average market price realized by the Canadian wheat board for barley sold for the account of the 1962-63 pool was 8 cents

per bushel less than the average market price realized for barley delivered to the 1961-62 pool.

The reason for the increase in the carrying charges is to be found in the fact that producer deliveries were considerably higher in 1962-63, at the figure of 77.6 million bushels, than in 1961-62, with a figure of 56.4 million bushels, and also because large export sales were made relatively early in the 1961 crop year, whereas a strong demand for the barley delivered to the 1962-63 pool account did not develop until the fall of 1963.

The reason for the decreased average market price for barley in the 1962-63 pool was intensified competition for export feed grain markets and a general decline in world feed grain prices.

The hon. member said farmers would be interested in this information as an indication of what they should now be seeding. May I just say that, speaking generally, I am reasonably optimistic about the future with respect to feed grain markets, particularly here in Canada, and I foresee the need for a gradually expanding acreage for the production of barley in the years ahead.

Mr. Reynold Rapp (Humboldt-Melfort-Tisdale): Would the hon. gentleman's statement apply to other feed grains such as oats? Can farmers take it that the lower price received for barley is not an indication that there is a smaller demand on the commercial market for barley and other feed grains?

Mr. Sharp: I anticipate there will be a very active demand for barley and feed grains generally in the coming year.

Mr. J. H. Horner (Acadia): I wonder if the minister would care to comment, on a note of optimism or pessimism, with regard to prospects for the marketing of wheat in the coming year.

Mr. Sharp: No, Mr. Speaker.

PUBLIC WORKS

TRAFFICKING IN BUILDING SITES BY GOVERNMENT CONSULTANTS

On the orders of the day:

Mr. G. H. Aiken (Parry Sound-Muskoka): I have a question for the Prime Minister. Perhaps the right hon. gentleman would permit me to say I am interested to see that he and his party are celebrating today the plight of the unemployment insurance fund.

Some hon. Members: In the red.

Mr. Aiken: In the absence of the Minister of Public Works and in connection with the question of privilege I raised yesterday concerning government consultants, I should like to ask the Prime Minister whether he approves of consultants of the government, who are defeated candidates, trafficking in public building sites.

Right Hon. L. B. Pearson (Prime Minister): As far as the hon. member's preliminary remarks are concerned, I am grateful to him for giving me an opportunity to remind him and the house that when we left office the unemployment insurance fund stood at $854 million, and when we took office again the fund was broke. That I think is sufficient comment on the policies of right hon. gentlemen opposite. As far as the question itself is concerned, I can assure the hon. member we shall not follow in this matter the practices of himself and the previous government.

Mr. Aiken: On a question of privilege, perhaps I did not understand the Prime Minister's answer. I asked him whether he and his government approve of consultants trafficking in building sites. The question of privilege I raised yesterday concerned a consultant of the government who went out and purchased in his own name a building site which had already been negotiated for by the previous government, and then resold it to the government.

Mr. Pearson: Of course I do not accept the facts as stated by the hon. member, but I can assure him that I do not approve of illegal trafficking of any kind.

THE CANADIAN ECONOMY

QUEBEC—ESTABLISHMENT OF ECONOMIC DEVELOPMENT FUND

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I wish to direct a question to the Prime Minister. Does he intend, as it is the case for the maritime provinces, to request from the government the setting up of a development bank for the lower St. Lawrence, Gaspe peninsula and Iles de la Madeleine areas, as was suggested by the Minister of Forestry (Mr. Sauve) in Mont Joli, according to a report published in *Le Soleil*?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): I have only the hon. gentleman's statement that this proposal was made by a colleague of mine, and I have to be very careful about accepting his reported statement in the press. However, I will be glad to look into it.

[*Translation*]

Mr. Pigeon: Mr. Speaker, a supplementary question concerning the Gaspe peninsula,

from the economic standpoint. Does the government intend to reconsider its decision to abandon the construction of a railroad and go on with this construction which is essential to the economic development of the Gaspe peninsula and Canada?

[*Text*]

Mr. Pearson: Mr. Speaker, I am quite sure that the people of Gaspe will be very pleased indeed by the improvement in communication that is about to take place in that region under this government.

THE MINISTRY

INQUIRY AS TO RESPONSIBILITIES OF MINISTER WITHOUT PORTFOLIO

On the orders of the day:

[*Translation*]

Mr. Gerard Perron (Beauce): Mr. Speaker, I would have a question for the Minister without Portfolio (Mr. Dupuis), but seeing that he is not yet in his seat, I shall put it to the Prime Minister.

In view of the fact that the Minister without Portfolio stated last week on television that he had a little to do with all departments, could the Prime Minister tell us exactly what are the duties of his Minister without Portfolio in each of the government departments?

[*Text*]

Mr. Speaker: Order, please. It seems to me that this question is not in order. It certainly is not properly framed—

[*Translation*]

Mr. Gilles Gregoire (Lapointe): A supplementary question, Mr. Speaker. Could we not ask the Prime Minister to give just a little portfolio to his Minister without Portfolio in order to satisfy the members—a little portfolio.

[*Text*]

Mr. Speaker: Order, please. This question is not properly framed. It seems to me that at the time of the announcement of the appointment of the minister a statement was made outlining his duties.

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I be allowed to compliment the Prime Minister and his supporters on their very colourful appearance—

Some hon. Members: Hear, hear.

Mr. Douglas: —and to say that Solomon in all his glory was not arrayed like one of these. In view of the fact that this is the anniversary of the last election, and since the government has watered down nearly all its policies in the year that has transpired—

Some hon. Members: Hear, hear.

Mr. Douglas: —may I ask the Prime Minister whether he does not think that the red carnations which he and his supporters are wearing might more appropriately be replaced by pale pink carnations?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, if we had pale pink carnations we might be accused of being fellow travellers of my hon. friend.

Some hon. Members: Hear, hear.

Mr. Starr: Well, aren't you?

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, this is further evidence of the fine co-operation between those across the way and the N.D.P. There is very little difference in the colour; that is very apparent, and has been throughout the last few weeks.

SOCIAL INSURANCE

DISTRIBUTION OF APPLICATIONS TO QUEBEC PROVINCIAL EMPLOYEES

On the orders of the day:

[*Translation*]

Mr. Gerard Laprise (Chapleau): Mr. Speaker, may I direct a question to the Prime Minister?

Could he tell us whether the employees of the Quebec provincial government are required to register and to have a social security card, and whether there has been an agreement in that respect with the Quebec government?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): That is a very important detail of the proposed legislation that will be discussed when the bill is before the house.

[*Later:*]

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I wish to direct a question to the Minister of Labour regarding the application forms for a social insurance number. Were these forms sent out to the province of Quebec for distribution in that province? I ask this question in view of the fact that the legislation has not yet been passed. I would also like to ask him whether he would give the assurance to the Canadian people—and it does not appear on the application—that any information provided in this application form will be maintained on a

completely confidential basis and will not be used for any other purpose or passed over to any other department?

Mr. Grafftey: Big brother.

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, the application forms for the social insurance number have been distributed to all employers in all provinces of Canada, including the province of Quebec. As I have already stated in the house, the obligation to register arises from authority under the Unemployment Insurance Act and applies to approximately 4½ million persons in the insured population. The remaining persons, whom we would like to have register, are asked to come forward voluntarily and register under this plan. If they are not part of the insured population, they cannot be obliged to come forward; but it would be our wish that in view of the proposed Canada pension plan they might in registering now, avoid the duplication that would be required later on.

The information that is available in these forms will be processed and maintained in Ottawa for government purposes—

Some hon. Members: Government?

Mr. MacEachen: —including the unemployment insurance commission and the proposed Canada pension plan.

Mr. Horner (Acadia): Are you going to take their fingerprints too?

Mr. Diefenbaker: Mr. Speaker, would the minister give an unequivocal answer that the information contained on the forms used in this system, which bears a strange relationship to dictatorship—

Some hon. Members: Oh, oh.

Mr. Diefenbaker: —will not be made available in any way, directly or indirectly, to any other department?

Mr. MacEachen: Mr. Speaker, this system, which the hon. gentleman suggests is akin to dictatorship, is precisely the same as the system followed by the unemployment insurance commission in the six years he was prime minister.

Mr. Diefenbaker: No, not at all.

Mr. MacEachen: Precisely the same principle is involved.

Mr. Diefenbaker: Not at all.

Mr. MacEachen: Precisely the same numbering appeared on the unemployment insurance books, and the information requested in such forms has always been available to government departments.

Mr. Diefenbaker: Not at all.

[Mr. Diefenbaker.]

Mr. MacEachen: Therefore, Mr. Speaker, to suggest that a new principle is involved is quite false.

Mr. MacEwan: It is not false.

Mr. Diefenbaker: Mr. Speaker, the minister seems to have such difficulty answering this question. The question, repeated to him, is this: Is it clear and definite on his part and on the part of the government that any information given in these application forms will be used exclusively by the Department of Labour and will not be passed over to any other department? That is what I want to know.

Mr. MacEachen: Mr. Speaker, my hon. friend will recall that the Glassco commission made a proposal that there be a common system of government record keeping and I am saying—and this is all the responsibility I can take—that this information is to be used for the unemployment insurance system and for the Canada pension plan.

Mr. Diefenbaker: And nothing else?

Mr. MacEachen: I am not in a position to indicate at this stage what system of government record keeping will be involved in the future, but that is the present attitude of the government.

Mr. Diefenbaker: Oh; income tax, and so on?

Mr. Pearson: Certainly not.

Mr. Diefenbaker: The Prime Minister is butting in. I ask him, will he give the undertaking on behalf of the government that this information will not be made available to other departments of government? We want to know that this is not a snooping operation for the use of the government.

Some hon. Members: Oh, oh.

Mr. Pearson: Mr. Speaker, the same and, I would hope, more effective precautions will be taken in this regard as were taken under the regime of the right hon. gentleman.

Mr. Diefenbaker: All this means is that it is going to be used.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I ask a supplementary question either of the Minister of Labour or the Prime Minister. Is it not a fact that the terms under which these numbers are to be given are spelled out in Bill No. C-75, which some of us have read—

Mr. Grafftey: Don't be so sanctimonious.

Mr. Knowles: —terms which make clear the basis upon which these numbers are to be used, and that they are not to be used for any other purpose.

Mr. Pearson: Yes, Mr. Speaker; and it is unfortunate that my right hon. friend opposite has not read that bill also; otherwise he would not have talked about dictatorship so freely as he did.

Mr. Diefenbaker: Mr. Speaker, I would simply say that the government has refused to answer the question, and I again thank the hon. gentleman for his fine spirit of co-operation with the government. It is obvious they are together.

Some hon. Members: Hear, hear.

Mr. Robert Simpson (Churchill): Mr. Speaker, I should like to direct a supplementary question to the Minister of Labour. Can the minister say whether as of today it is compulsory for each employee who comes under the regulations of the unemployment insurance commission to fill out these forms and sign them; and can he also say what is the final date for these forms being turned in?

Mr. MacEachen: Mr. Speaker, it is a fact, as has been the case since the Unemployment Insurance Act was passed more than 20 years ago, that the insured population are obliged to register and receive numbers. That fact has prevailed all those years and is still the case today. There is nothing new at all in principle, and my hon. friend ought to be aware of this. The program of registering and the issuing of social insurance numbers is under way now, and will continue for some weeks into the future. We hope all Canadians will come forward and register in order to ensure that this system of making social insurance benefits available in the form of insurance under the proposed Canada pension plan will operate efficiently.

Mr. Simpson: A supplementary question. What I am trying to determine is whether it is the responsibility of the employee or the employer to see that these forms are filled out as quickly as possible? Because the minister said that this matter has been in the regulations of the unemployment insurance commission for some time. Under the present system each employee has a number. If an employee does not fill out a form will he automatically be given a number transferring his number in his unemployment insurance commission book to a new book under this system? Whom is the onus upon?

Mr. MacEachen: I regret I do not follow the question asked by my hon. friend. If he wishes to put it on the order paper I will try to answer as quickly as possible.

Mr. Simpson: Let me ask one specific question. Is the responsibility of seeing that these forms are filled out on the employees or their employers?

Mr. MacEachen: It is the responsibility of the employee, the insured person, to apply for and receive a number. We are in this situation asking employers to register all employees, to make the application forms available to the employees, who will then fill them out. These forms will be returned by the employers to the local unemployment insurance office. In the case of an employee who does not want to take advantage of registering through his employer under the plan, that employee is certainly free to go to the unemployment insurance office, fill out a form and register.

Mr. Raymond Langlois (Megantic): A supplementary question to the Prime Minister concerning this system. Is the government considering whether this system is going to be extended to other departments than those of the unemployment insurance commission and pensions?

Mr. Pearson: There is no necessity for extending this particular system for this particular purpose to any other department.

Mr. Lloyd R. Crouse (Queens-Lunenburg): A supplementary question to the Minister of Labour. There are a number of companies in my riding which already have a pension plan. Some of their employees have asked me about these cards, which seem to serve a dual purpose, one for the unemployment insurance commission and one for the administration of the pension plan. Will the filling in of these cards mean an automatic endorsation of the Canada pension plan?

Mr. MacEachen: Of course not, Mr. Speaker. The idea is that normally the unemployment insurance commission would be revising and renewing its books at this time of year. The numbering system under the unemployment insurance commission was becoming obsolete. Modern data processing machinery could not be used and a more effective identification system had to be employed. For example, I understand there are 50,000 Smiths registered with the commission, 10,000 of whom have the first intial "J". It is obvious that additional information has to be acquired in order to identify each contributor properly. In light of that and in light of the proposals in the Canada pension plan it was thought desirable to combine these operations at this particular time into one single activity. There is no endorsation of anything in this application form; it will

merely make it possible to continue the efficient operation of the unemployment insurance commission and to apply the proposals contained in the Canada pension plan.

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, may I direct a supplementary question to the Prime Minister? Could he assure the house that these application forms do not conflict with provincial autonomy or with the jurisdiction that belongs to the provinces?

[*Text*]

Mr. Pearson: No, Mr. Speaker, we would not expect to put it into effect if it was in conflict with the jurisdiction of a province, and there is no indication that it is.

Mr. H. Russell MacEwan (Pictou): A further supplementary question to the Minister of Labour. A couple of weeks ago a question was directed to him on the order paper dealing with this matter, and I should now like to ask the minister how much of the $300,000 odd which has been allocated toward the campaign to introduce these social security cards has now been expended by the Maclaren advertising agency by way of advertising.

Mr. MacEachen: Mr. Speaker, if this question is placed on the order paper I am sure the hon. member will receive a full answer, but I think I can say that for the past fiscal year the total sum has not been spent, but that it will be in the months of April and May when the advertising campaign reaches its climax.

PRIVILEGE

MR. NUGENT—REFERENCE TO REMARK BY JUSTICE MINISTER

On the orders of the day:

Mr. Terry Nugent (Edmonton-Strathcona): Mr. Speaker, I was not in the house yesterday, but this matter has come to my attention. As reported at page 1859 of *Hansard* the Minister of Justice made this remark:

> I was detained here throughout last week by the hon. member for Edmonton-Strathcona.

That statement is completely false, as hon. members know. He was detained here throughout last week by his own blundering incompetence as house leader.

SUPPLY

House again in committee of supply, Mr. Lamoureux in the chair.

DEPARTMENT OF NATIONAL DEFENCE

Royal Canadian Air Force—

35e. Operation and maintenance, $13,653,000.

[Mr. MacEachen.]

Mr. Nesbitt: Mr. Chairman, I have a few remarks to make on these supplementary estimates. One of the reasons the debate has been protracted for such a long time is because—

Mr. Matheson: Because of hon. members opposite.

Mr. Nesbitt: If the hon. member for Leeds wishes to make some remarks he will have his opportunity—is because of the difficulty in many cases of obtaining adequate or any answers from the government. For that reason a number of members, I think even some on the government side, have found it necessary to spend some time over these estimates.

One matter about which I should like to inquire concerns the Department of National Defence and our forces in Cyprus. On a great many occasions members of this house have tried to obtain information concerning our forces in Cyprus, what they are doing there, terms and conditions of service, directives and the like.

The Chairman: Order, please. Before the hon. member proceeds further may I bring to his attention that we are now on vote 35e which concerns the Royal Canadian Air Force, operation and maintenance. I would ask him to restrict his comments to this particular item.

Mr. Nesbitt: Mr. Chairman, it was my understanding, and I was in the house last evening when this point was thoroughly discussed, that it was agreed long ago that on the first item of each department anyone speaking would have reasonable latitude.

The Chairman: That is not the understanding. If the hon. member was in the house last night he will recognize that this argument was made by one hon. member and I took the liberty of disagreeing with it. My interpretation of any agreement or understanding originally arrived at is that on the first item, wherever there is an administration item for a department, there can be a general discussion within the limits of the ordinary rules of relevancy. I would feel very strongly and earnestly that this is the decision which was arrived at when we began discussion of the supplementary estimates.

Mr. Nesbitt: With great respect to Your Honour I would point out that this item refers to the Royal Canadian Air Force, operation and maintenance, and one of the details thereunder is travelling and removal expenses. Certainly so far as the Cyprus enterprise is concerned the Royal Canadian Air Force was used to transport some personnel there and one of the specific items here is travelling and removal expenses. With great respect, I really

fail to see how Your Honour can suggest that one is out of order in discussing the Cyprus operation under this supplementary.

Mr. Pearson: Mr. Chairman, this supplementary is for the year that is past. During that year there were no R.C.A.F. personnel in Cyprus, or who had anything to do with Cyprus. How the hon. gentleman can now bring Cyprus into the discussion of a supplementary estimate concerning the R.C.A.F. for the year that is past is very difficult to understand.

Mr. Nesbitt: Mr. Chairman, with great respect to the Prime Minister, the Cyprus operation was commenced prior to April 1 of this year. These estimates are supplementaries to those of the previous fiscal year which ended on March 31 and, with all respect, I think it is quite conceivable that certainly some of the moneys in the estimates for that period would cover the Cyprus operation. I realize the government's sensitivity on the subject and the fact they do not want it discussed—

Mr. Martin (Essex East): The government's sense of responsibility.

Mr. Nesbitt: —but with great respect I feel I should be entitled to continue. If I may return to my remarks, I am to a large degree very sympathetic to the Secretary of State for External Affairs. I have had some experience in his line of work and I realize it is not always possible—

Mr. Martin (Essex East): On a point of order, Mr. Chairman, may I assure my hon. friend that within the confines of what I am sure he would understand was desirable in regard to this situation, I would welcome the fullest opportunity for discussion, but certainly my hon. friend is completely out of order on this item. The force went to Cyprus only in the latter part of last month. It is true that the fiscal year ended on March 31, but the accounts for any involvement of the Canadian force in Cyprus could not possibly have been presented to treasury by this time. The hon. gentleman is so obviously out of order, Mr. Chairman, that I am sure he would not even require your suggestion that he is out of order.

Mr. Pugh: Mr. Chairman, may I speak to the point of order? I would ask you to cast your mind back to the early part of the year 1962. This question of order was threshed out most thoroughly at that time and if my memory serves me correctly the present Secretary of State for External Affairs was most vociferous in upholding the principle that one can speak all around the subject.

Mr. Martin (Essex East): That is not the point at issue at all. The point at issue—

Mr. Pugh: Just a minute. The minister can have all the time he likes if he wishes to get to his feet again and speak, but I should like to complete my remarks. In the spring of 1962 there were 26½ days taken on supplementary estimates. I refer particularly to the Department of National Defence and the fact that the discussion of its estimates went on and on. Those in the opposition at that time spoke about the future potential of weapons, how much they might cost and went into all aspects of defence policy. They spoke on everything but the actual expenditures submitted in the supplementary estimates.

If Your Honour will examine the debates of that time I suggest you cannot come to any other conclusion but that the Cyprus expedition, which we are about to discuss, is a subject that is quite germane and certainly part of this debate. It has been said that what is before us concerns expenditures of the past year and has nothing to do with the Cyprus expedition. I suggest to Your Honour that in relation to expenditures previously made it is quite proper to discuss further expenditures which may be necessary and question of whether the government is prepared to cover all expenditures in the future. Surely this is part of the discussion.

For emphasis I come back again to the early part of 1962 when those opposite at that time, took 26½ days—

Mr. Pearson: That is absolutely false.

Mr. Pugh: —to cover what normally takes one or two days. They put on the greatest filibuster that has ever been seen. We on this side are talking common sense and we wish to put our views forward on the floor of the house.

Mr. McIlraith: On the point of order, Mr. Chairman, no part of the Cyprus operation is covered by the estimates before the committee at the moment, and since there is no item covering it I have no information on the subject nor can I properly get it or give it. That operation is not being financed through these estimates. It is a matter that will have to come up when the new main estimates come before us. I would point out again that they have been tabled in the house and that the government is quite anxious to have them brought forward so there will be an opportunity to discuss them in committee of supply; but no part of these final supplementary estimates (E) relates to the Cyprus operation.

Mr. Lambert: Mr. Chairman, with the greatest deference to the President of the Privy Council, I wish he had addressed the same sentiments to himself and his present

colleagues on the front bench when they were over here, so far as the discussion of supplementary estimates was concerned. The experience of past years has shown that these highly commendable sentiments just did not mean a thing to the hon. gentlemen at that time; but now that they have been transported across the floor it would appear that the vice of those days has become the virtue of today.

Mr. Knowles: Is it not the other way around?

The Chairman: The hon. member for Vancouver East on the point of order.

Mr. Winch: No, Mr. Chairman, I want to speak on the supplementary estimates.

The Chairman: If I may give the opinion of the Chair again, the only thing I can do is refer hon. members to standing order 59(2) which reads as follows:

> Speeches in committee of the whole house must be strictly relevant to the item or clause under consideration.

We have before us vote 35e having to do with the Royal Canadian Air Force, operation and maintenance, $13,653,000, and the only thing I can do is to ask hon. members to cooperate with the Chair and relate their remarks to the particular resolution which is before the committee.

Mr. Nesbitt: Mr. Chairman, I have been in the house most of the time when these supplementary estimates have been under discussion. It was my clear understanding, having also discussed the matter with a number of my colleagues and certainly having been in the house last night—Mr. Chairman, I wish these continual interruptions by the hon. member for Leeds would stop. If he wants to say anything, let him get up and say it.

Mr. Matheson: Mr. Chairman, surely there has been a decision of the Chair. Is that not the understanding of the committee?

Mr. Nesbitt: That is the question I was bringing up. With regard to all the other supplementary estimates that have been discussed it is my understanding that Your Honour's decision, concurred in and applied by the deputy chairman also—this point was brought up by the hon. member for Lapointe last night—was that when the first item of any department was brought forward there would be the widest latitude in the discussion.

I will agree that probably Your Honour is technically quite correct in your ruling, but in view of what has happened in connection with the other departments I think a general discussion should be allowed. It was my understanding, and certainly that of my colleagues, that there would be a general discussion on the first item. I do not know why there is one rule for one department and another rule for another, or one rule for one member of this house and another rule for another.

The Chairman: I cannot repeat too often the opinion which I have expressed before. This very point was raised last night by the hon. member for Yukon. If the hon. member for Oxford will look at the record for last night he will see that I expressed the view that the understanding that was reached by hon. members when we initiated discussion on the supplementary estimates was that when there was a general administration item for a department a general discussion would be allowed. This was the interpretation I placed on the understanding which was reached at the time, and this is the way I have explained it to the committee at various times. I see no justification for allowing a general discussion on a vote such as this, which is not a general administration vote.

In addition, if I may say one other word, my recollection is that I have been in the chair most of the time while we have been discussing supplementary estimates. This very problem which is being raised by the hon. member for Oxford was considered when we were on supplementary estimates for the Department of External Affairs and might have been relevant to a discussion on that general item. I cannot see how it can be relevant to the item now before the committee.

Mr. Nesbitt: With respect, Your Honour, the minister in charge—I have forgotten his official title—of these supplementary estimates has said that none of these accounts could possibly involve the Cyprus expedition. There are a number of things covered by this vote such as transfer and removal expenses for the air force. These are the supplementary estimates for the latter part of the fiscal year 1963-64. Certainly a number of them are estimated expenses for that fiscal period which ended March 31 of that year. Now, the Cyprus expedition, and matters related to it, commenced before March 31. I am sure even the Secretary of State for External Affairs could not suggest that did not happen.

Mr. Martin (Essex East): I just said that.

Mr. Nesbitt: A number of Canadian aircraft were involved in transporting personnel to Cyprus. Since a number of these expenses are estimated and the estimates are for the fiscal year ending March 31, I cannot understand why these estimates would not cover the use of aircraft involved in the Cyprus operation. If the minister in charge of the treasury can

explain that to my satisfaction, I might be inclined to agree with Your Honour. This does not make any sense at all.

The Chairman: The hon. member for Vancouver East.

Mr. Nesbitt: I have the floor, Mr. Chairman, and if the minister is not replying to my argument I intend to continue, unless Your Honour rules me out of order.

Mr. McIlraith: I thought Your Honour had given a ruling on the matter. The simple fact is that since the Cyprus expenses are not covered by this item of national defence, I do not have the details for the separate Cyprus expenditures. What is in the item is travel and removal expenses. I am at a loss to understand the hon. member's assertion that this is the first time the estimates of the government have come before the committee because the main estimates came before the committee, then supplementary estimates (A), (B), (C), (D) and these are final supplementary estimates (E). These are the usual final, clean-up supplementary estimates that go to the end of our fiscal year.

Mr. Nesbitt: That is just the answer I was looking for, Mr. Chairman.

Mr. McIlraith: Additional costs were incurred because of the higher cost per move which went from $120 per move to $147 per move. Then, there were extra costs because of the withdrawal of the CF-100 squadrons from Europe in late 1962-63 and the disbandment of the 426 squadron and other units for which claims and costs were not paid until early 1963-64.

Another factor in the increase is the price increase for packing and crating and transportation put into effect by the Canadian warehousemen's association during the fiscal year. I think that is all I can give by way of an effective answer. I hope it does give the information the hon. member is seeking because, much as I would like to give him information on the other subject I do not have it for the reasons I have stated.

Mr. Nesbitt: I think that answers the question I was asking, and I thank the minister. As the minister just said, these are the final supplementary estimates for the fiscal year 1963-64 and involve estimated expenditures for the last period in the fiscal year. Of course, Mr. Chairman, we all know that the Cyprus operation commenced in the very last part of this fiscal year.

Mr. Martin (Essex East): I rise on a point of order, Mr. Chairman. I suggest with great respect to my hon. friend that he is abusing the privilege of the house and the attitude the house has taken toward his continuous intervention. These estimates before the committee—

Mr. Pugh: I rise on a point of order.

The Chairman: Order; we can only have one point of order at a time and the Secretary of State for External Affairs has the floor.

Mr. Pugh: I rise on a question of privilege.

The Chairman: The Chair can entertain only one point at a time. When the minister has completed his point of order I will be able to hear the hon. member on his point of privilege.

Mr. Martin (Essex East): What I want to say, Mr. Chairman—

Mr. Pugh: I would like to say, Mr. Chairman, on my point of privilege—

Mr. Martin (Essex East): I have the floor.

The Chairman: Order; the hon. member will recognize that I cannot have two points under discussion at the same time. We are having one point discussed at the moment.

Mr. Martin (Essex East): I repeat to my hon. friend that at the appropriate moment I will welcome this opportunity, but I should remind the hon. member than when external affairs supplementary estimates were being discussed, we spent one afternoon and evening on the Cyprus question. I do not know whether or not my hon. friend was preoccupied with other important business, but if he was in the house he will remember that discussion.

Mr. Nesbitt: Quite a few things have happened since.

Mr. Martin (Essex East): It was initiated by the hon. member for Winnipeg North Centre. These estimates have been before the committee since March 6. There was no Cyprus operation so far as Canada was concerned until March 13. These two dates surely indicate clearly that the supplementary estimates before the committee at the present time could not conceivably involve any expenditure arising out of the Cyprus operation. I suggest to you, Mr. Chairman, that since you have made a ruling the hon. gentleman ought to respect that ruling, and ought to give way to the hon. member for Vancouver East who has been trying to speak for a long time.

Mr. Nesbitt: The Secretary of State for External Affairs is very persuasive, as we all know, and I appreciate his point of view, but I must make—

Mr. Pugh: Mr. Chairman—

The Chairman: Does the hon. member wish to rise on the question of privilege?

Mr. Pugh: I merely wish to point out to Your Honour that when the Secretary of State for External Affairs got on his feet on a point of order, the hon. member for Oxford was speaking on that point of order.

The Chairman: No, it was not my understanding that he was speaking on a point of order. I believe he was making a substantive argument.

Mr. Nesbitt: Well, I must say on the point of privilege, that the Secretary of State for External Affairs has suggested to Your Honour and to the committee that I have been misusing the privileges of the house in discussing points of order with Your Honour. All I can say is that no member of the house, in the 11 or so years I have been here, has spent more time discussing points of order, appropriate and otherwise, than the hon. member for Essex East. To suggest that anybody else who deigns to discuss a point of order with Your Honour, or with whomever is sitting in Your Honour's chair, is abusing the rules of the house is a kind of logic that defeats any reasonable person.

While I frankly do not place much stock in the argument I have heard from the Secretary of State for External Affairs and from the minister in charge of the treasury, if Your Honour rules that I cannot discuss this matter of Cyprus, a matter of the greatest importance at the present time, I will obey Your Honour's ruling, but I think it is a very strange and odd attitude on the part of the government.

The Chairman: In my opinion the rules preclude the hon. member from discussing this matter along the lines which he was following a moment ago. If there is some way that any matter can be brought within the ambit and the limitations of vote No. 35e, then of course the Chair would not want to try to restrict the hon. member. But I feel we have a very specific item before us and that our discussion should be limited to this item in the light of the rule of relevancy.

Mr. Winch: Mr. Chairman, I would like to deal specifically with the item before the committee, and in view of the fact that we spent 25 minutes this afternoon on procedure, I shall be very brief because it is my sincere thought that if we are brief and deal with the items in front of us, then perchance we might be able to finish the supplementary estimates by tomorrow night, which I hope we can do.

I would like some information about the Royal Canadian Air Force, and I hope this will be in order because it concerns something which occurred a number of weeks ago. I regret that the Minister of National Defence is not in his seat. I notice unfortunately he left the chamber just as his supplementary estimates were called, but I hope that the associate minister, or perhaps the Secretary of State for External Affairs, will be able to give the information I seek.

I am sure all members of the committee would appreciate some information as to what was the new arrangement that was worked out a number of weeks ago with France and with NATO relative to the R.C.A.F. The only information we got was that contained in the press several weeks ago, that two of the squadrons are being moved from France to Germany and two are being left in France.

The information received by our defence committee, when we were in France, was to the effect that there were French squadrons in Germany and that they would be kept in Germany because only by having them in Germany could the French squadrons be equipped with nuclear warheads. On what basis are we maintaining two of our squadrons in France when they cannot be equipped there for the purpose for which they were bought by the previous government?

What exactly is the role of the two squadrons now in France, and is it correct that a decision was reached with France and NATO a number of weeks ago that these two squadrons of CF-104 planes are going to have an entirely different role, and will have to be re-adapted or re-equipped to carry conventional warheads in their new role?

On what basis is Canada still maintaining two squadrons in France while France maintains squadrons in Germany? Second, what is their role? Third, because of some mistake, stupidity or misunderstanding by the previous government in its purchase agreements, who has to pay for the re-adaptation of these two CF-104 squadrons in France, and what is the approximate figure of the cost of that re-adaptation?

Mr. Cardin: I do not think I can let pass the reference made by the hon. member for Vancouver East concerning the Minister of National Defence.

Mr. Winch: Well, he did leave just as the item was called.

Mr. Cardin: I realize he left, but he did not leave because he did not want to answer questions.

Mr. Winch: I did not say that. I said I noticed he left and I did not comment on the reasons.

Mr. Cardin: Just in case the hon. member might have that somewhere in the back of his mind, I would like to say the minister had to leave the committee, and it was with regret he did so. I would also like to say that I think there has been, on the part of the Minister of National Defence, a very frank and open discourse on what was happening in the Department of National Defence. Also, I believe there will be opportunities within a day or so, in the budget debate, when these matters can be brought up again. Further, as hon. members know, it is understood that all the national defence reorganization may be discussed in the special committee on national defence. It is most unfair if anyone should get the idea on these particular estimates, which are the fifth and last, that we are not willing to give the committee whatever information we can.

The hon. member was asking about the air squadrons in Europe. I do not think the difficult position of the Canadian government in that respect is a secret to anyone, and the purpose of sending the squadrons we had in France to Germany was in order to get out of an impasse which was not of our making. To do this we have given the squadrons remaining in France a reconnaissance role. All our squadrons will have a dual role, both strike and reconnaissance, but the aircraft of the squadrons in France will be limited to the reconnaissance role.

As the hon. member may appreciate, this was a course that was devised in order to have a useful role for our air squadrons, and I understand there is to be a sort of rotation between our squadrons in France and Germany so that they will be able to exercise both roles.

I do not believe I can add anything to what my colleague the Minister of National Defence has stated with regard to this matter both in the house and in the committee. I regret I cannot offhand give the cost of this particular move, but I will find out so that hon. members may have this information. I think the hon. member realizes that with regard to this matter of the air squadrons in Europe we are doing the best we can, having inherited a difficult situation.

Mr. Winch: May I ask the hon. gentleman how there can be a possibility of rotating R.C.A.F. planes between France and Germany when our squadrons in Germany are equipped for the handling of nuclear weapons, whereas our squadrons in France are now being changed over to use only conventional weapons? Are all the planes to be changed so that they may fulfil a dual role?

Mr. Cardin: They are being changed, now, so that they will be able to carry out a dual role, and the pilots will also be rotated.

[*Translation*]

Mr. Gregoire: Mr. Chairman, I think I am allowed under this item to read a resolution passed by the district council of the Saguenay-Lake St. John national labour union.

We are considering today the administration of the Royal Canadian Air Force, and the resolution in question deals with the storage of nuclear arms at the Bagotville military base, which comes under the Royal Canadian Air Force, the expenditures of which we are now considering.

I will simply read the resolution:

At a regular meeting of the district council of the Saguenay-Lake St. John national labour union held at Arvida on January 19, 1964, a resolution was put forward asking the district council to protest strongly to the Prime Minister of Canada, and to the federal members of parliament of the district, against storage of nuclear warheads at the Bagotville base.

The council executive was directed to prepare the following resolution:

Considering the stand taken by the national labour union in previous conventions.

Considering the danger which such atomic weapons constitutes for the people of our district in case of war.

Considering that the mere presence of such nuclear warheads on our soil makes our district a potential target and can transform this area into a radioactive desert.

Whereas such weapons do not constitute an effective means of long range defence.

Whereas Canada can play a doubly effective part by working for peace.

Our council asks the district, especially all representative bodies of our district, to protest to government authorities in order that they may abandon their projects.

We hope that you will take this letter under special consideration; your viewpoint would be very much appreciated by our members.

Yours truly,

Saguenay-Lake St. John Regional Local of the National Unions.

And it is signed Elmer Proulx, secretary.

Mr. Chairman, I want to be the mouth-piece of the national unions of the Saguenay-Lake St. John area and I strongly support this resolution on their part.

The Chairman: Order. I allowed the hon. member to read the resolution he mentioned in order that we might determine its nature.

In my opinion, the question of nuclear weapons is not connected in any way, directly or indirectly, with the item under study; it even goes beyond the restricted limits of this item. Consequently, I invite the hon. member to restrict his observations to what he has just said.

Mr. Gregoire: Mr. Chairman, please note that in credit 35e now under study, mention

is made of "miscellaneous materials and supplies, $1,150,000". Then, how can we say that in these miscellaneous supplies—nuclear weapons are also supplies, not only in winter but in fall and spring, they are miscellaneous supplies relating to airplanes at Bagotville?

I believe that these things, these supplies of fuel, gasoline, fuel oil, lubricants for aircraft and mechanical equipment, are related to the subject I am discussing now: supplies and upkeep of equipment. Supplementary estimates are being requested for the upkeep of that equipment at Bagotville, and I wish to say that I fully endorse the text of the resolution which has been approved unanimously by the labour union in my area and more especially in the Arvida-Jonquiere-Kenogami area.

The population, including the social and municipal bodies and the farmers' unions, object to the storage of nuclear arms in our area. But the government, here in Ottawa, refuses to recognize the objections raised by the whole population of one area.

Mr. Chairman, it becomes serious in my opinion when a government pays no attention and does not even care about the protests voiced by all the people, all the social and municipal bodies of an area, and keeps storing nuclear arms in a peaceful region inhabited by peace-minded citizens working peacefully and contributing to the development of our country.

The Chairman: I have listened with great interest to the remarks of the hon. member and I am sure he will agree with me that they are of a much too general a nature for the limited scope of the vote under consideration.

Mr. Gregoire: Then, Mr. Chairman, I will conclude by speaking of this vote to which, I want to make it clear, I am opposed. It includes an amount of $1,150,000 for miscellaneous materials and supplies which will be used for the storage of nuclear weapons at Bagotville.

I wish to register a protest also against the vote for gasoline, fuel oil and lubricants for aircraft and mechanical equipment if that material is to be used for the storage of nuclear weapons.

I protest against this vote concerning repairs and maintenance of equipment, if this includes equipment to be used for storing nuclear arms at the Bagotville military base.

I protest, and I object to these estimates, not only in my own name, but on behalf of the whole population of the Saguenay-Lake St. John district. I do it with all the vigour I am capable of, and Mr. Chairman, when you ask if this item is agreed to, please report that it is on division, and report further on division of the member for Lapointe.

[*Text*]

Mr. Rynard: I should like to inquire what plans the department has for, or what the department intends to do with, the radar station in Edgar which is in my riding and which, I believe, will be closed as of July 1.

I should like to point out that this is a community of a certain size. It has its own fire brigade, its own power plant, three dormitories accommodating 500 people and about 85 housing units. The point I wish to make is that this is a responsibility of the federal government. An investment has been made amounting I believe to some $9 million. It has been accepted that the federal government has some role to play in education. For example, when vocational schools are constructed the federal government pays three quarters of the cost of the building and of the equipment used in the operation of those schools. I should like to go further and ask the minister what plans he has. Is he contemplating an educational centre or a vocational school, so that there may be continuity in this area?

I ask this because, as the minister knows, there is a choice between educating the people or making welfare payments, providing unemployment insurance, relief and so on. Therefore I say to him that while they are spending millions of dollars advising people to obtain more education so they will stay off the unemployment insurance and relief rolls, and so forth, on the other hand they cannot afford to close up a building such as this. I also want to stress the point that a great many workers have their roots in this community; they have been employed there for 11 or 12 years and have their homes in this area. Therefore I would appreciate an answer as to what the minister intends to do in this matter. I would state further that it is my opinion that some educational or semi-educational plan should be adopted in order that those buildings can be utilized to the full, in view of the need today for further education.

Mr. Cardin: Mr. Chairman, I think my hon. friend should know that the department is certainly not indifferent to what is happening to some of these communities where the radar stations are being closed down. Having said how concerned we are with what is happening, I think it is only fair also to say that I believe it would not be logical policy for the department to keep maintaining and operating stations which are no longer useful.

What has been done and what is contemplated in the future is that whenever one of

these radar stations is to be disbanded, it is immediately turned over to crown assets. The Department of Defence Production and the Minister of Industry have in their own organization a group of people who are trying to establish contact with the provincial governments and other groups and associations to study how these radar stations might be usefully used. A real effort is being made in this sense in order to try and get the provinces interested in utilizing these very excellent facilities.

Another point, of course, is that most of these stations are in rather isolated areas, and it is difficult at times to interest people in going to these areas. However, Mr. Chairman, I can assure my hon. friend that everything it is humanly possible to do is now being done.

Mr. Rynard: Mr. Chairman, I want to thank the minister for his answer. I would draw to his attention that this is not a particularly isolated area; it is just about seven miles from a city one way and it is about 15 miles from a town with a population of 15,000. Also, it is only four miles off a super highway. I am wondering whether the minister, through dominion-provincial relations, could in some way get a program going of some form of education without even going through crown assets and wasting that time.

The Chairman: The hon. member for Edmonton West.

Mr. Lambert: Mr. Chairman, the hon member for Joliette-L'Assomption-Montcalm has asked me whether he might ask it first.

[*Translation*]

Mr. Pigeon: I should like to direct a question to the Associate Minister of National Defence. Does he intend to provide the College Militaire Royal de Saint Jean with a four year course, the same as Kingston?

Surely, the minister is aware that several of his colleagues from the province of Quebec, and particularly the Minister without Portfolio, the hon. member for St. Jean-Iberville-Napierville (Mr. Dupuis), have formally promised, on behalf of their party, that the College Militaire Royal de Saint Jean would have a four year course, the same as Kingston. That is why I am asking the minister whether or not that four year course will be established.

Mr. Cardin: Mr. Chairman, I appreciate the interest my hon. friend has always shown concerning this matter. Other hon. members from both sides of the house are also interested in it.

Now, for the Department of National Defence, it was not only a matter of reorganizing the armed forces, but reorganizing also the military colleges. As I said before, we are carrying out a thorough study of military training with a view to revising it according to standards we consider necessary for our armed forces.

I regret no decision has yet been taken, and I am not in a position to give a definite answer to the hon. member's question.

Mr. Pigeon: Mr. Chairman, I wish to ask a supplementary question. I asked the minister a very definite question, that is if the government would keep the promise made by some of its members, in particular the hon. member for St. Jean-Iberville-Napierville. I am not asking that it be kept within a month or two; whether it is at the end of this year or next year, I am asking the government if it will keep the distinct promise made on behalf of his party by the hon. member for St. Jean-Iberville-Napierville.

Mr. Cardin: Mr. Chairman, I would not like any misunderstanding about that. What I want to tell my hon. friend is that when the study I referred to is completed, we will take the most effective steps in the interest of the college and the country.

Mr. Raymond Langlois (Megantic): Mr. Chairman, with regard to the question asked by the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon)—

[*Text*]

The Chairman: Order. The hon. member for Edmonton West.

Mr. Lambert: Thank you, Mr. Chairman. I should like to raise two points with the associate minister. First of all, from time to time in the past there has been some difficulty about travelling and moving expenses with regard to the air force, the army and the navy. I think the minister will agree that within the last year or so criminal charges have been laid with regard to the falsification of moving expenses. There have been some irregularities in this connection. I am wondering, therefore, what steps have been taken recently to eliminate as much as possible the giving of kickbacks and the other irregular practices which have cropped up from time to time. I do not say that they have existed only in recent years, but they have occurred from time to time. I remember that when I was associated with the Department of National Defence back in 1957, this was a problem. It has exercised the Canadian warehousemen's association, and they themselves very much deprecate the existence of these practices. There is somehow built into the present system of the movement of service personnel a type of facility which leads to these practices. I believe this is caused by the

competition. I do not know whether the Department of National Defence has worked out some arrangement with the Canadian warehousemen's association of policing this sort of thing. I know it is deprecated by service officers and certainly by the association as a whole.

However, we do know that such practices have existed and certainly excessive weights have been used at times. This has been drawn to the attention of the public by the Auditor General. I should like to receive an indication from the minister, either today or on some other occasion, as to just what has been done in order to tidy this up, so there is as little chance as possible for, shall we say, sharp practices in regard to moving expenses.

The other point I wish to raise with the hon. minister is this. Can he tell us at this stage—and there may be reasons why he cannot—what is to be the ultimate use of the four very large installations that were used by the United States air force as refuelling bases?

The last of these, Namao R.C.A.F. station, is to be phased out on July 1 next. There are some very extensive facilities. Some of the runways are used jointly with the R.C.A.F. and there are other buildings and what have you, such as fuel storage facilities, put up at the expense of the United States government, of which I am sure some very adequate use could be made, particularly at the two bases at Cold Lake and Namao.

Mr. Cardin: Mr. Chairman, personally I have not been aware that there is any great wave of irregularities in connection with removal and travelling expenses. There are some recommendations contained in the Glassco commission report in this regard, but unfortunately I am not in a position to advise my hon. friend today what measures will be taken to correct the situation. However, I will look at the matter and inform him at a later date.

Mr. Lambert: Mr. Chairman, I wish to correct any misapprehension there may be. I am not saying there has been a great wave, but there have been cases. Individual members of the Canadian warehousemen's association have definitely spoken of this, and I would like to know what efforts are being made to control this sort of thing.

Mr. Cardin: I will look into the matter.

Mr. Churchill: Mr. Chairman, I am sorry to detain the minister for external affairs, but when he makes a statement in this house I take a little time to think over what he has said and then I go back and examine the record to see whether or not what he has said is accurate. I am glad he is now here to listen to my submission, because a little while ago he attempted to make the case that the subject of Canada's participation in the United Nations Cyprus force should not be discussed under these estimates because the estimates were tabled on March 6. This is accurate. His statement concerning our participation in the Cyprus expedition was not made until March 13, so it follows that the estimates which were tabled on March 6 could not possibly have anything in them which would pertain to the Cyprus expedition.

I would point out, Mr. Chairman, that the subject of the troubles in Cyprus was raised in this house on Monday, February 24, by the hon. member for Edmonton West. The Prime Minister replied to him in these words which appear at page 129 of *Hansard*:

> There has been no additional request made of Canada for participation in any such force but, as the house knows, we have laid down certain conditions which we feel should be observed before Canada participates in a force of that kind.

Mr. Martin (Essex East): That is right.

Mr. Churchill: Obviously the government was considering the question of Canada's participation in an international force as early as February 24.

Mr. Martin (Essex East): Long before that.

Mr. Churchill: When the Prime Minister and the minister of external affairs rose this afternoon to object to the hon. member for Oxford making a statement about the Cyprus expedition I knew that perhaps they were attempting to conceal something.

Mr. Martin (Essex East): Mr. Chairman, on a point of order, my hon. friend has not helped his case by his last reference. There has never been any refusal to discuss this matter. Indeed, my hon. friend is now proving that we have had very considerable discussion. There is only one point before the committee at the present time and that is whether or not the particular item involves an expense which could be properly attributable to Canada's undertaking in the United Nations peace keeping force. That is the issue and no other. The question of Cyprus has been discussed many times in this house, but what we are now concerned with is this particular item of expenditure. I would suggest, Mr. Chairman, that unless the hon. gentleman addresses himself to that point he is not in order.

Mr. Churchill: Mr. Chairman, we can always expect an intervention by the minister of external affairs no matter which side of the house he sits on.

Mr. Nielsen: And against the rules too.

Mr. Churchill: Yes, generally against the rules. I did not say that anything was being concealed. I said that perhaps there was an attempt at concealment. When the minister of external affairs is talking with that skill and verbosity which is his and his alone, there is sometimes the expectation on the part of some hon. members that there is concealment involved.

Mr. Martin (Essex East): Be careful now.

Mr. Churchill: I am making no accusation. Yesterday I was asking him about regular forces from Greece and Turkey and he persisted in talking about Cypriot forces which I had not even mentioned; so the minister is sometimes not very clear in his activities.

I direct my attention specifically to the estimate in front of us, which is a vote of over $13 million, involving some $1.5 million for travelling and removal expenses, another item of $3.5 million for gasoline, fuel oil, and so on. It will take a little convincing to persuade me that these very large items are not related in some way to the expectation that Canada would participate in some overseas activity under United Nations command. Because as the minister for external affairs said when I mentioned February 24, the government was considering such a thing earlier than that. A government which boasted of its decision would surely have made plans prior to that with regard to the expenses for the air force and army. It might have interrupted the writing of the white paper by the Minister of National Defence; perhaps that was the delay which was caused. But I am sure he was figuring out how much more it would cost if Canada participated in a United Nations force. Consequently that is why I question the earlier intervention of the minister of external affairs in trying to persuade the house that nothing in these supplementary estimates pertain to that matter.

Mr. McIlraith: Would the hon. member for Winnipeg South Centre permit me to interrupt him for a moment to make a request of the committee. In all the time devoted to government business today we have not put through one item of these final supplementaries. This is the fourteenth day that these final supplementaries have been called and brought before the committee, although admittedly on some days, for example today, the question period has been rather long and the period devoted to government business short.

The Chairman: Order. I regret I must interrupt the minister in order to permit the house to proceed with the consideration of private members' business. Shall I rise report progress, and ask leave to sit again at the next sitting of the house?

Some hon. Members: Agreed.

Progress reported.

Mr. McIlraith: Mr. Speaker, before you proceed with private members' hour I should like to continue the request I was in the midst of making in committee to find out whether the house would consider forgoing private members' hour today in an effort to get at least some of these items through.

Some hon. Members: Agreed.

Mr. Deputy Speaker: Is it agreed we suspend private members' hour and return to committee of supply?

Mr. Douglas: Mr. Speaker, I should like to make the suggestion that we go much further than giving up this hour. I see little value in giving up this private members' hour if it is going to do nothing to shorten this debate.

I do not think there is any reason to attribute blame for this. I think one should recognize that it has been a long time since members have had an ample opportunity to examine the various departments and to question the various ministers. There was a long time when there were no estimates. The general estimates for last session came in during the closing days of the session. Many members were willing to forgo questions they wanted to ask and matters they wanted to raise in the interests of winding up the session at a reasonable time. So I do not think that any real blame attaches to members for the fact that these supplementary estimates have taken a considerable period of time.

On the other hand, I think it is most advisable now to try to wind up the discussion of these supplementary estimates. As far as the members of this party are concerned, if some agreement can be reached we would be quite willing to confine ourselves to one speaker on each of the departments or, if that were not agreeable, to undertake that if there are any departments still not dealt with by ten o'clock tomorow night we will be prepared to let them go through with a view to winding up these supplementary estimates not later than ten o'clock tomorrow evening. But unless we can set some deadline for the disposing of these supplementary estimates it seems to me that merely taking another hour of private members' time does not add anything at all. It just means that discussion of the supplementary estimates may go on for another hour or for a stipulated period of time. If it is agreeable to the other parties in the house we would be prepared to give an undertaking to dispose of these

supplementary estimates not later than ten o'clock tomorrow night. If we finish sooner, so much the better, but we would be prepared to terminate any discussion by ten o'clock tomorrow evening.

Mr. Churchill: Mr. Speaker, I do not know whether we have reverted to motions or how we happened to be on this discussion. It is rather interesting to be attempting to settle the order of business of the house in this way. It reminds me very much of the Thursday before Good Friday when a member of the N.D.P. called it six o'clock and prevented just such a discussion taking place.

Mr. Leboe: Mr. Speaker, I agree we should make some provision but I think this should be done through the house leaders. We have two days of the budget debate left and six supply motions to come up. These matters will take 14 days and in addition we have all the main estimates of the departments to consider. I am wondering whether we are going to get any legislation through the house.

Mr. Langlois: Mr. Speaker, I agree with the hon. member for Burnaby-Coquitlam with respect to continuing through private members' hour today, but I cannot agree on any understanding that we should finish these estimates by ten o'clock tomorrow night. We have been waiting for quite a while to speak on some of these estimates and in my view not only the opposition but also the government must accept some blame for the fact that the house has taken so long to pass them. I know that some of our members have something to say on them. Therefore our party cannot undertake to terminate the discussion by ten o'clock tomorrow night, but we are willing to forgo private members' hour today.

Mr. Churchill: As far as our party is concerned we are prepared to give up private members' hour today.

Mr. Deputy Speaker: Is there unanimous consent to dispense with private members' hour?

Mr. Brewin: May I say a word on that, Mr. Speaker? I am the private member whose resolution was to come up today. I am perfectly prepared to concur in giving unanimous consent to deal with these estimates. My own personal opinion is that they should have been disposed of some time ago. I am perfectly prepared to give up the time I would have had, but I suggest to those who represent the government in the management of the business of the house that they should make suggestions like the present one a few minutes before they intend to ask the house to deal with them. Just a few hours ago I was approached by the government whip and asked to be prepared to proceed today. I simply wish to suggest that a little more planning and forethought could well go into this sort of suggestion.

Mr. Patterson: Mr. Speaker, we would certainly be ready to forgo private members' hour, but I think we should try to reach some understanding with regard to what is going to happen from now on. If we simply forgo this hour it means that we will have another hour on these estimates so that discussion of them can be stretched out a little more. I do not see anything to be gained by that. Therefore I think we should try to reach some understanding that discussion will terminate at a certain time.

Mr. Deputy Speaker: Is there unanimous agreement among members to forgo the private members' hour?

Some hon. Members: Agreed.

Mr. Bell: Postpone it.

SUPPLY

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

DEPARTMENT OF NATIONAL DEFENCE

Royal Canadian Air Force—

35e. Operation and maintenance, $13,653,000.

Mr. Churchill: Mr. Chairman, I was advancing an argument just before five o'clock, with which the Secretary of State for External Affairs seemed to be in agreement, that the large amount of money in this estimate must have had something to do with a proposed international commitment of Canada some time before the end of March because the Cyprus trouble was being considered by the government early in February. Unless the Associate Minister of National Defence is prepared to rise and say that not one single dollar of the travelling and removal expenses and the gasoline and fuel oil expenses had any relation whatsoever to an anticipated movement of troops and aircraft overseas, we can only assume that items as large as these must relate to that. Otherwise, if he says they do not relate to it—

Mr. Cardin: Mr. Chairman—

The Chairman: Order. The hon. member has the floor.

Mr. Churchill: I am still talking and the minister can wait. Let me make it clear—

Mr. Cardin: On a point of order, Mr. Chairman—

The Chairman: Is the minister rising on a point of order?

Mr. Cardin: Yes, Mr. Chairman. The hon. member asked me to get up and state whether or not any of the amounts of money here were earmarked for the international force, and I do get up and say that there is no money in the estimates now before us that is earmarked for the international force.

Mr. Churchill: I did not ask the minister to get up immediately. He might have let me finish my sentence. I was going on to say that if he was going to get up and say that not one single dollar of this was in anticipation of paying the expenses of Canada's participation in an international force, then he was going to be in some trouble in explaining to us why these sums are so large, coming at the end of a fiscal year. I wonder what his explanation will be. Perhaps he would like to give it now in view of the answer he gave half a minute ago.

Mr. Cardin: I think it would perhaps save a lot of time if I were to take the different items and give an explanation of them. As far as the first item of $1,445,000 is concerned, the explanation is that which was given by the President of the Privy Council. It has to do with the removal and travelling of personnel. The average cost per move had been estimated too low at $120 per move and had to be increased to $147. There was additional cost in regard to transfers brought about by the withdrawal of the CF-100 squadrons from Europe late in 1962 and 1963 and the disbanding of No. 426 squadron and other units for which many claims and accounts were not paid until 1963 and early in 1964. Then another factor is the price increase for packing, crating and transportation put into effect by the Canadian warehousemen's association, and that accounts for this amount of $1,445,000.

In so far as materials and supplies are concerned, there is fuel for heating and cooking. The forecast was over-expended by $305,000 and this was mainly due to an underestimate for the 18 new radar units introduced into the R.C.A.F. in 1962-63.

Mr. Pugh: Did the minister mention radar equipment?

Mr. Cardin: Yes, 18 new radar units introduced into the air force.

Mr. Pugh: Where is that used; I wonder if the minister can tell us?

Mr. Cardin: I understand that these were taken over when we had a change-over of administration between the United States and Canada on the Pine Tree line.

Then, there is the item for gasoline, fuel oil and lubricants for aircraft. There has been historically a shortfall in the annual flying hours which logistic staffs have usually applied to estimates for oils and lubricants of 15 per cent. However, the 1962-63 totals were not available when the 1963-64 estimates were prepared. So far this year indications have been that the shortfall will be very small this year.

Mr. Nielsen: On that point, I wonder if the minister could assure the committee that none of the $3.5 million used for the purchase of these aircraft lubricants was used for lubricants or fuel for aircraft going to Cyprus in this operation?

Mr. Cardin: Because of the time involved, I would be morally certain that it did not. These estimates, of course, were made before we were involved in this operation.

Mr. Pugh: Just on that point, Mr. Chairman, may I say that I thought when we were having a few words with the minister of external affairs on this point, the understanding was that away back in February the armed services were preparing for the Cyprus operation. One branch of the armed services is the air force and one purpose of the air force is transport. I should like to know, and I am sure other hon. members would like to know, if any of these $3.5 million worth of gasoline and lubricants were used in these aircraft transporting Canadian personnel to Cyprus, or by aircraft on the island of Cyprus.

The minister would have to be very certain before he answered that question because $3.5 million is a lot of money. As has been pointed out before, these supplementary estimates (E) are the fifth supplementary estimates and are the final ones for the year. Surely the Minister of National Defence, the minister looking after these estimates and the Secretary of State for External Affairs have looked into these matters and will have looked into them as far back as Christmas time when the Cyprus operation or some other necessary peace keeping operation for which Canada would have to be prepared was in their minds. I said the minister would have to be careful in answering. Were there, to his knowledge, any of the oils or lubricants accounted for by this item used in transporting Canadian personnel to Cyprus?

Mr. Cardin: I am quite sure that the members of the house want to get ahead with the work of the committee and want to see this matter pushed through as quickly as possible. I have stated that I am personally sure there is not any amount of money involved in these items that was used in the transport to Cyprus. I am informed that the bills for that particular exercise have

not been received as yet. I am morally certain that there is nothing for the Cyprus exercise that is reflected in these items.

Mr. Pugh: The minister is saying, then, that up until the final decision to go to Cyprus, which was after these estimates were prepared, the Royal Canadian Air Force was not prepared in any way, shape or form. None of these lubricants were used in these aircraft or in any of the aircraft which would have been used in Cyprus. It seems ridiculous to me to think that there was no preparation. Surely, there was preparation. The Secretary of State for External Affairs said that it was well before February when preparations were made. Surely there was a state of preparedness on the part of the Royal Canadian Air Force and the other armed services in Canada which would involve these expnditures being made. We have heard that we have not had the bills for Cyprus, but have we had the bills for the preparations and are they part of these supplementary estimates?

The Chairman: Order; I am just wondering if the hon. member would not agree with me that at this point of his questioning he is going beyond the scope of the item? I assume that possibly the minister will want to reply to the original question he was asked, but I wonder whether we should not limit ourselves to this point now.

Mr. Pugh: With respect, Your Honour, I was just finishing my remarks. This is a fairly important matter and it goes back to the point of order which was debated a while ago.

Mr. McIlraith: And which was dealt with and cannot be debated again since a decision was given.

Mr. Pugh: It could be that we are talking about something that is quite germane at the present time, namely lubricants to the value of $3.5 million. Without getting into an argument, I am going to close now if the minister will tell us the expenditures for the preparedness of the armed services were contained in the original estimates and supplementaries (A), (B), (C), (D) and (E), and that no part of this $3.5 million is for the Cyprus force?

Mr. Cardin: I have answered the hon. member's question as best I can. I do not intend to go on trying to rationalize this particular matter. I think the hon. member realizes as well as I do that we have aircraft that are prepared and have been prepared for a long time. What I am saying is that the bills for the amount of money involved in having aircraft leave Canada to go to Cyprus have not yet even come in. I am morally certain that there is nothing in these estimates which reflects that operation and I am not believe I can say more.

If I may, I should like to continue reading the rest of the items involved. There is an item of $1,150,000 for miscellaneous supplies.

The main factors in the increase in the 1962-63 accounts carried forward for this year include underestimate for liquid and gaseous oxygen for new aircraft, Yukon CF-101 and CF-104; underestimate for chemicals related to increased requirements mainly for water purification chemicals for new radar sites; underestimate for miscellaneous cordate and textiles; new requirement for hexafluoride gas for FPS 26 and 27 radars.

Then we have repairs and upkeep of equipment and the deficiency in this primary is due mainly to the fact that this primary bore the brunt of the general shortage of operation and maintenance funds in 1962-63, resulting in $4,752,000 in accounts being carried over for payment this year. In addition, at least $2 million and perhaps as much as $6 million is needed to cover an unforeseen increase in repair costs of the LN3 navigation system for CF-104 aircraft.

The last item, $1,239,000 includes underestimation for non-residential school fees and school contributions. This completes the amount of $13,653,000 which I feel has nothing whatever to do with the operation in Cyprus.

[*Translation*]

Mr. Langlois: Mr. Chairman, a few minutes ago, I was listening to the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon) discuss the course given at the College Militaire Royal de Saint Jean, and ask the minister for an extension of two years, as it is the case for the Kingston Royal Military College. He also mentioned that this promise was made by the hon. member for St. Jean-Iberville-Napierville (Mr. Dupuis) during the last election campaign and that, of course, it would involve additional expenditures.

Now, I would like to know from the Associate Minister of National Defence whether the Minister without Portfolio, made that promise on his own, or whether he was authorized by the government to do so. Moreover, I ask the minister to tell us whether the government intends to carry out the promise made by the hon. member for St. Jean-Iberville-Napierville and extend the course at the College Militaire Royal de Saint Jean.

Mr. Cardin: Mr. Chairman, I think the hon. member is well aware of the long-time interest taken by the Minister without Portfolio in the College Militaire Royal de Saint Jean, since it is located in his native city.

I believe that during the election campaign he probably may have expressed a strong desire to see a two year extension of the course at the College Militaire Royal de Saint Jean. He obviously put pressure on the department at the very beginning, when we came into office. We did not need to be pushed, because we were of the opinion that we had to revise completely our system of military colleges.

At this time we contemplate a reconstitution of its framework. As I explained to the hon. member for Joliette-L'Assomption-Montcalm, we have not decided yet how we will proceed, because we shall await the report of those who are investigating in this respect.

I would have the hon. member know that the problem cannot be solved as easily as it would seem. It is a problem which might have many implications. We want for the College Militaire Royal de Saint Jean something fine, although perhaps it will not be necessarily the same course as at the military college at Kingston. Consequently, I am not in a position to give a definite answer to the question of my hon. friend.

Mr. Langlois: I am quite willing to believe the minister when he says the project was but a wish made during the last election campaign and that the hon. member for St. Jean-Iberville-Napierville may have expressed a fervent wish, but I would prefer to use stronger words and say that the Minister without Portfolio did promise that, if a Liberal government were elected, another two years would be added to the course given at the College Militaire Royal de Saint Jean. That is a bit more than a fervent wish, but you can take it anyway you like.

In any case, how could he make such a promise, when the government was merely wishing. Could it be that the Minister without Portfolio exceeded his rights in making that promise or that some responsible member of his party had told him that the thing was coming, in short, that it was one of the government's projects?

Mr. Cardin: Mr. Chairman, I think the hon. member has as much experience in politics as I have, and there is no need for me to answer that question.

[*Text*]

Mr. Nasserden: Mr. Chairman, I had some difficulty in following the minister a few minutes ago. Could he tell me whether any of the expenditures under this vote were made at the R.C.A.F. station in Saskatoon during the past year, or in connection with the personnel and equipment of that station during the same period?

Mr. Cardin: I am sorry, I do not have that information.

Mr. Nasserden: I wonder if the minister would try to get it for us.

Mr. Cardin: Yes, Mr. Chairman.

[*Translation*]

Mr. Pigeon: Mr. Chairman, a few minutes ago I asked a specific question of the minister. The hon. member for Megantic also raised the same question. Not only the member for St. Jean-Iberville-Napierville but also other Liberal candidates during the last election campaign formally promised, on behalf of their party, that the College Militaire Royal de Saint Jean would be placed on the same footing as Kingston and that the course would be extended to four years. I would like the minister to tell me whether this promise will be kept. If the minister refuses to answer specifically, I will have to go on with the debate up to six o'clock and probably tomorrow.

The Chairman: Order. I do not wish to prevent the hon. member for Joliette-L'Assomption-Montcalm from obtaining some information, but several questions have already been asked in connection with this point which furthermore he had originally raised. It seems that the hon. members who are discussing this problem should try to restrict their remarks to the item under consideration.

Mr. Langlois: I rise on a point of order, Mr. Chairman.

I think it was raised twice, and it will again be raised on other occasions because this has to do with promises, made during the last election campaign but when we want to talk about them when the house is in committee of supply, we cannot get an answer as to whether or not this is so. A similar situation occurred the other day when we were considering the estimates of the civil service commission.

Here we have other electoral promises about which we want explanations; we just want to know whether they represent government policy or whether they were made to the voters as a kind of bait.

We want to know the difference between the two.

Mr. Pigeon: Mr. Chairman, I should like to put a question to the President of the Privy Council (Mr. McIlraith) since he is probably in a better position to answer it than the Associate Minister of National Defence.

Could he tell us whether he is in favour of extending the course given at the College Militaire Royal de Saint Jean from two to four years, like the course at Kingston, as promised

by the hon. member for St. Jean-Iberville-Napierville as well as by several Liberal candidates, during the last election campaign.

I am asking a specific question and if the minister gives an affirmative or positive answer, he can be assured of our full co-operation for the passage of these estimates.

[*Text*]

Mr. McIlraith: I shall try to be as concise as the hon. member was in framing the question. I promise the committee that my answer will not be more lengthy than was the question which has been asked. First, I do not accept the assertion as to what various Liberal candidates may have said during the election campaign. I simply do not know whether the hon. member is qualified to quote them accurately—whether he attended the meetings, and whether he knows or not.

As to the other question about the course at the military college to which he referred, I regret very much to tell the committee that I do not know anything about that course. I do not know whether it is the best possible course. I have always heard it spoken of in favourable terms; references made to it in my presence have always been highly favourable. However, to expect me to know whether the course is the right length or the wrong length, or whether it should be extended, appears to me to be somewhat unreasonable and I must tell the committee that I do not know. I have never made a study of it. On the other hand, I have reason to believe that my colleague, the Associate Minister of National Defence is thoroughly familiar with the college, the type of course and the instruction given there, and so on, and as far as I am concerned he has given a competent and complete answer to the question which was asked.

[*Translation*]

Mr. Pigeon: Mr. Chairman, I believe the cabinet is divided on this question, because it was certainly discussed. Many ministers do not favour any extension of the course at the College Militaire Royal de Saint Jean to place it on an equal footing with that at Kingston.

Once more I am asking the minister, and I hope to obtain his co-operation, because when he was himself in opposition I believe he declared himself favourable. Consequently, I am asking the minister whether he will implement the formal promises made by some of his colleagues to the effect that there would be a complete course at the College Militaire Royal de Saint Jean.

This promise was made all over the province of Quebec. It was not reiterated nationally, in fact, it was restricted to the province of Quebec. However, I want to tell the minister that at the time of the next election, Liberal candidates will have to be careful if they make promises and not to make any promises they do not intend to keep.

The Chairman: Order. Once more, I must interrupt the hon. member. When he speaks about the next election or remote elections, he is wandering pretty far, it seems to me, from the item under study.

Mr. Pigeon: Mr. Chairman, I am asking for the minister's co-operation. We are ready to pass these estimates as soon as possible, but I realize that it is impossible for us to obtain clear answers from the minister, from the President of the Privy Council, and from the minister of external affairs. We do not know the facts. We are asked to vote thousands of dollars, but it is impossible to know why those estimates must be passed.

We are celebrating this year the centennial of responsible government and it is the duty of the opposition to scrutinize the government's expenditures. I am asking the Minister of National Defence if, in the near future—I am not asking him to give a date—the government intends to "extend" the course given at the College Militaire Royal de Saint Jean and thus to put it on the same footing as the course given at Kingston.

That is all I want to know. I am not asking him to set a date, to say that it will be in a month or two but he could say that it will be in two years, for instance, in order to keep the distinct promises made during the last election campaign.

Mr. Cardin: I would be very happy to get the co-operation of my hon. friend and I am convinced that, if he wants to co-operate, he will understand that in view of the fact that this matter is now under consideration, we are giving it all the attention it deserves and I cannot say now whether or not we will have the four year course.

All I can say is that we will give the College Militaire Royal de Saint Jean what we feel is in the best interests of the cadets there.

Mr. Langlois: Mr. Chairman, in the light of what the minister just said—

The Chairman: Order. The Chair recognizes the hon. member for Quebec-Montmorency.

Mr. Marcoux: Mr. Chairman, I have been sitting here for several hours waiting to see if the estimates would be passed and now the hon. member for Joliette-L'Assomption-Montcalm tells us that it is the duty of the opposition to give close scrutiny to past expenditures covered by the supplementary estimates.

It would seem to me then that we cannot discuss the expenditures which could be made two or three years from now if the course were to be continued at the College Militaire Royal de Saint Jean.

I would ask the hon. member to wait until we examine estimates for future years and not past expenditures, since he will then have the opportunity of discussing them.

I am in favour of extending the course but I feel that this is not the time to discuss that question, especially since we have just agreed to dispense with private members' hour to save time.

Mr. Pigeon: Mr. Chairman, I rise on a point of order. The hon. member definitely accused me of delaying the passage of the estimates. I feel it is the duty of every hon. member to scrutinize the estimates and ask questions in order to have definite answers, all the more so because the government committed itself to carry out its promises within 60 days, though nothing has been done in that respect and we do not know how matters stand.

The Chairman: I do not see any question of privilege in that.

Mr. Langlois: Mr. Chairman, the minister just said that this question was under consideration and that he was not in a position to tell us whether or not the course would be extended by two years.

All I can say is that during the last election campaign, the hon. member for St. Jean-Iberville-Napierville acted in excess of his rights towards the people of St. Jean and that he lied to them in making such a statement.

[*Text*]

Mr. Nielsen: I just have two or three brief questions to ask the associate minister. The first concerns the government's intention to increase the number of personnel at the R.C.A.F. station in Whitehorse, particularly in the technical field, as a result of the withdrawal of army technical personnel brought about by the change-over of jurisdiction from the Department of National Defence to the Department of Public Works in connection with Alaska highway maintenance.

The other question concerns Rockcliffe R.C.A.F. station. In view of the decision to remove all heavy aircraft from that station, can the minister tell us what plans are under consideration for the airfield, particularly with regard to air materiel installations there. Second, with regard to the establishment of a museum of aircraft in the three or four hangars available for that purpose at the station, might we have a little more information and, third, is it the intention of the department to transfer to the Department of Transport jurisdiction over the flying operations now handled by the R.C.A.F.?

Mr. Cardin: I realize these questions are all very important but I regret I do not have before me the information for which the hon. member asks. If he so desires I will try to obtain it for him. Unfortunately, I cannot give it to him without notice.

Mr. Nielsen: If the minister could simply give me an undertaking that he will write me a letter answering these questions I would be quite happy.

Mr. Cardin: I will do that.

Mr. Churchill: I have a few questions to put to the minister concerning the air force in Europe. This would be a good time to have an explanation of what is going on there. Would the minister tell us how many planes we have there now, how many of them are completely equipped for the purpose for which they are intended, and where they are stationed?

Mr. Munro: Filibuster.

Mr. Churchill: Mr. Chairman, here is an interruption by an hon. member. I am asking for essential information, and we get the cry of "Filibuster".

Mr. Munro: That is exactly what it is.

Mr. Churchill: If a filibuster is desired such as the Liberals put up in 1962—

Mr. Munro: It was nothing to match this one.

Mr. Churchill: —of course we will contribute.

Mr. Nielsen: You only went close to 26 days then.

Mr. McIlraith: Eight days.

Mr. Churchill: I only want information from the Associate Minister of National Defence, and I am sorry the minister is not here. Is there a single, solitary plane over in Europe equipped to fight at this moment, because last November and December there was not one; they had no weapons on those planes; they did not have one single nuclear bomb ready to be fitted to the fuselage. At no time in Canada's history since the second world war was Canada's air force in a less prepared position than it was last fall and winter. I want to know, is it in a fighting fit condition now? If war broke out tomorrow, what could the Canadian air force in Europe do?

Mr. Cardin: Mr. Chairman, the hon. member claims that our fighting forces, and the

air force, were in the poorest possible position in the history of Canada during last fall. That is not quite true—

Mr. Churchill: It is true.

Mr. Cardin: —because it was in an even worse position when the hon. member was himself minister of national defence.

Mr. Churchill: That is not true. The fighting squadrons were not disbanded over in Europe, and you know it. Tell the truth in this house.

Mr. Cardin: I am telling the truth, and I hope the hon. member will do the same. The hon. member is not asking questions to be informed, because what he is asking is already known. We are preparing the technical part of our weaponry so that we can arm our squadrons in time. I do not believe any aircraft are now armed. I understand they are working on the warehousing, or the storage, for the equipment.

Mr. Churchill: Mr. Chairman, the Associate Minister of National Defence said that I was not asking questions for information. I was. He is not giving answers, because he cannot answer or he does not know or he refuses to give information to this house.

Mr. Winkler: The government would be embarrassed.

Mr. Churchill: I will ask him again. Is there one single, solitary plane of the Royal Canadian Air Force in Europe that is prepared for fighting action today or tomorrow? He has just told us "No". This has been the situation now for months. The Minister of National Defence disbanded the fighting squadrons that preceded the 104's before the 104's were ready for defensive action. I am asking the minister now: Are the nuclear dumps completed at the air stations in Germany? How nuclear bombs are there? How many of our planes are on alert in the enclosure in which they have to be placed when they have a nuclear bomb on the fuselage? Are they ready to contribute to the nuclear striking force of NATO?

Mr. Cardin: Surely, Mr. Chairman, the hon. member is experienced enough to know that it would not be wise, for security reasons, to give the number of planes that are now in Europe or the number of bombs that are available. I think I have answered the question that he really wanted answered, but as far as the details of the number of planes and the other information for which he is asking is concerned, I think hon. members will realize that is not the type of information we would want to give out.

[Mr. Cardin.]

Mr. Churchill: Mr. Chairman, the Associate Minister of National Defence is getting to be a bit ridiculous.

Mr. Cardin: Not as much as you.

Mr. Churchill: He says that parliament is not supposed to know the number of fighting aircraft we have available in our air force. What nonsense. Then why did they tell us the number of people who have gone to Cyprus? They should not have divulged that, because the Cypriots might find out. He will not inform parliament as to many planes we have in Europe and he will not tell us whether they are armed.

Mr. Nielsen: He doesn't know.

Mr. Churchill: I think he said they are unarmed. Our air force is defenceless in Europe—and parliament is not to be informed because, to use the phrase the Secretary of State for External Affairs uses all the time, "it is not in the national interest" for parliament to know any of these things. Where is the Minister of National Defence? We want more than white papers, you know; we want armed forces ready to fight. Where are they? The Minister of National Defence has now had almost 12 months with his study groups, and the air force in Europe is not ready for action.

Mr. Hahn: On a point of order, Mr. Chairman, I fail to see the relevance of this argument to the item in the estimates under discussion at the present time.

Mr. Churchill: The hon. member may not see the relevance of the argument. It is simply this. We cannot get the answers to questions from the government. If they would give us the answers, we would move on to the next problem. I asked the Associate Minister of National Defence certain questions with regard to the air force in Europe—this is the item of the estimates that pertains to the matter—and he cannot give me the answers.

May I ask him another question. He told us earlier that the aircraft in Europe are to be modified so they can carry nuclear weapons as well as conventional weapons. Let him now tell us how many have been so modified and what is the cost per plane for that modification.

Mr. Cardin: Mr. Chairman, I answered that question a while ago and said I did not know how much it would cost.

Mr. Churchill: How many have been modified?

[*Translation*]

Mr. Dupuis: Mr. Chairman, it has been drawn to my attention that some hon. members, especially the hon. member for Megan-

tic (Mr. Langlois) and the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon), have criticized the government because the course at the College Militaire Royal de Saint Jean is not complete.

I understand that the hon. member for Joliette-L'Assomption-Montcalm said that I had solemnly promised that the course would be a four year course. But, I have never solemnly promised a four year course. Now—

Mr. Langlois: Mr. Chairman—

Mr. Dupuis: Will you let me speak.

Now, when I was sitting on the other side of the house, I always requested that consideration be given to the feasibility of giving a complete course—

Mr. Pigeon: Mr. Chairman, on a point of order. The minister should not question the word of an hon. member. He questions what was said by the hon. member for Megantic (Mr. Langlois), and what I stated myself. We maintain that the minister—

Mr. Dupuis: That is not a point of order.

Mr. Pigeon: —gave a solemn promise—

Mr. Dupuis: A private member, or a single member, like the hon. member for Joliette-L'Assomption-Montcalm has no right to question the word of a minister, and more particularly not what I said.

Mr. Pigeon: I challenge your point of order.

Mr. Langlois: On a point of order, Mr. Chairman. I do not know what the minister is referring to, although he has questioned, as the hon. member for Joliette-L'Assomption-Montcalm has said, the word of some hon. members and mine.

These are exactly the words I said earlier: if the minister made a solemn promise to his voters—

Mr. Dupuis: Mr. Chairman—

Mr. Langlois: Let me finish. The Associate Minister of National Defence answered that the question of extending the course at the College Militaire Royal de Saint Jean by two years had not been decided yet. If the minister did make this formal promise, I reiterate my earlier statement, that he lied to his voters.

Mr. Dupuis: To sum up the discussion, I never promised that there would be an additional course, but I promised that, as soon as the Liberal government came to power, consideration would be given to the advisability of a full course. I have proof here in my hand. I know that the hon. member for Megantic is quite sincere. I wonder whether the hon. member for Joliette-L'Assomption-Montcalm is; I am wondering.

I promised my constituents to look after the matter, as opposed to what the Conservatives were doing when they were sitting on this side of the house. They fooled around for six years and did nothing for the College Militaire Royal de Saint Jean, while I urged them to do something.

The Chairman: Order. If the minister wishes to correct the statements which may have been made concerning him, let him do it while remaining within the scope of the present debate.

Mr. Dupuis: May I say, Mr. Chairman, that my remarks will not go beyond the scope of the debate.

When I was sitting in the opposition I requested from the then minister of national defence that the advisability of giving a complete course at the College Militaire Royal de Saint Jean be considered.

Now, on the 4th of November, the Minister of National Defence answered a letter of mine in which I had previously requested—

An hon. Member: In what year?

Mr. Dupuis: —and here is my request to him.

I shall give you all that, because it is interesting for the hon. member for Joliette-L'Assomption-Montcalm, and to prove to him that we are looking after the interests of the voters, in accordance with what we say to them, during an election campaign.

On November 18, 1963, I wrote to the Minister of National Defence—and I would like the hon. member for Joliette-L'Assomption-Montcalm to listen, because he would learn a few things:

[*Text*]

My dear Paul:

Thanks to the Liberal party, we have in Saint Jean, P.Q., a bilingual royal military college. However, as you know, this college dispenses only the first years of the course that has to be completed in Kingston. This situation is unfortunate and abnormal.

[*Translation*]

As you can see, my attitude has not changed since I have been sitting on this side of the house.

Mr. Pigeon: Convince your colleagues first.

Mr. Dupuis: Listen to me. I shall continue:

[*Text*]

We believe that the College Militaire Royal in Saint Jean should be organized in order to dispense the complete course, starting next September.

During the years when the Conservative party was in power, I made many interventions about this in the House of Commons. Your predecessors:

General Pearkes, Colonel Harkness and Pierre Sevigny, answered that they were giving serious consideration to this question...but nothing was done.

I do not believe that since I am sitting with the government, I should refrain from asking for a complete course at the College Militaire Royal de St. Jean.

As Minister of National Defence, you are the president of the C.M.R., and as such, I am sure, that you will be proud to give instructions in order to permit this college to give a complete course. Could you tell me what has been done up to now by your department in view of permitting such a course?

As the C.M.R. has been established by our party, I think that it is imperative for our Liberal government to complete that great achievement. Why should we wait any longer to take a decision when we all know that this has to be done one day?

Hoping to receive encouraging words from you very soon, I remain

[*Translation*]

And here is what the minister answered:

[*Text*]

I have received your letter of November 18, concerning the College Militaire Royal de St. Jean.

Subsequent to Lucien Cardin's appointment as associate minister—

—and the minister is here tonight—

—he asked for a full report concerning the establishment of third and fourth years at College Militaire Royal de Saint Jean. This report is now being studied as part of my review of defence matters, and I should hope to be in a position soon to let you know the department's decision concerning the proposal that the third and fourth years be provided at College Militaire Royal de Saint Jean.

[*Translation*]

I protest when the hon. member for Joliette-L'Assomption-Montcalm attempts, as usual, to cast doubts on my interest in my constituents and the fair claims of the province of Quebec. The hon. member for Joliette-L'Assomption-Montcalm may well laugh, but during the six years when his government was in office he did nothing for the College Militaire Royal de Saint Jean. But I did write to my government and I continue to make the same demands as when I was in opposition.

I do not think it is very intelligent on the part of the hon. member for Joliette-L'Assomption-Montcalm to try to delay the debate—

Mr. Pigeon: Keep quiet.

Mr. Dupuis: —try and delay the passing of the estimates. You want me to stop talking. But you, yourself, are asking me questions and when you get the answers, you want me to stop talking. I want you to know that I will not. You are insolent in your remarks and you make claims which are totally inaccurate.

Mr. Chairman, I wanted very much to put the record straight to let the house, the riding of St. Jean-Iberville-Napierville as well as the whole province of Quebec know that when you belong to the Liberal party, whether you sit on one side of the house or the other, you keep on doing your work honestly. When in office, we still ask for the same things we did while in opposition, whereas some people, the hon. member for Joliette-L'Assomption-Montcalm for instance, kneel before their leader, the hon. member for Prince Albert (Mr. Diefenbaker) without asking for anything for Quebec during the six years their party was in power.

Mr. Pigeon: Mr. Chairman, on this side of the house we intended to vote these estimates before six o'clock, but since the minister does not want to co-operate with the ministers of his own party, we shall not be able to do so.

Mr. Chairman, to show the extent to which the Minister without Portfolio lacks judgment, he has written a letter in English to the Minister of National Defence instead of writing to the Associate Minister of National Defence who resides in the province of Quebec. This shows you his lack of consideration for the associate minister of defence. In other words, he admits that the Associate Minister of National Defence has little authority. He tried to—

Mr. Dupuis: Mr. Chairman, I rise on a point of order.

The Chairman: Order. Would the minister resume his seat? I merely want to point out to hon. members that, in my opinion, this matter, which has been discussed, examined and debated for about an hour, has been settled, not only in its substance but through the many points of order which were raised. It seems to me then this would be the proper time to adopt the vote now under consideration.

[*Text*]

Shall this item carry?

[*Translation*]

Mr. Pigeon: Mr. Chairman, before—

An hon. Member: Sit down.

Mr. Pigeon: No, Mr. Chairman, I will not let this item go through—

Mr. Dupuis: On a point of order, Mr. Chairman.

Mr. Pigeon: Mr. Chairman, I want to get some information from the government, not orders.

The Chairman: Order. The minister is rising on a point of order.

Mr. Dupuis: Mr. Chairman, I rise on a point of order because the hon. member has no right

to assert that I have no respect for the associate minister of defence, who is much more intelligent than the person who is trying to belittle me—

The Chairman: Order. There is no point of order concerning the remarks just made by the minister.

Mr. Pigeon: Mr. Chairman, may I call it six o'clock?

[*Text*]

The Chairman: Order. Shall I rise, report progress, and request leave to sit again at the next sitting of the house?

Some hon. Members: Agreed.

Mr. Pigeon: You have a filibuster on your side and you will pay for it.

[*Translation*]

Mr. Guy Marcoux (Quebec-Montmorency): Mr. Speaker, may I ask the leader of the house—

The Acting Speaker (Mr. Batten): Order. It would be more appropriate for the committee of supply to report progress.

[*Text*]

Progress reported.

BUSINESS OF THE HOUSE

Mr. Churchill: Mr. Speaker, I should like to ask the house leader if it is the intention of the government to go ahead with supplementary estimates tomorrow.

Mr. Favreau: Mr. Speaker, I regret very much that because not one single item of these estimates has been passed today my speech is becoming very dull. My answer has to be the same as at the adjournment last night. We will be proceeding with the supplementary estimates tomorrow, and if they are completed, which I sincerely hope they will be, we will take second reading of the pension plan.

[*Translation*]

Mr. Deputy Speaker: Does the hon. member for Quebec-Montmorency wish to say something?

Mr. Marcoux: Yes, Mr. Speaker. I should like to follow up on the question asked by the house leader of the official opposition (Mr. Churchill). I wish to ask the Minister of Justice (Mr. Favreau), who is also the leader of the government in the house, whether it would be possible to call a meeting of the representatives of the various parties to try to come to an agreement and conclude the examination of these supplementary estimates. Would it not be possible to try, in every way, to secure the co-operation of the other parties? I feel very few would refuse to accept proposals made by the minister.

Mr. Deputy Speaker: I do not think that it is the proper time to launch a debate to that effect—

Mr. Marcoux: No, Mr. Speaker, it is not my intention.

Mr. Deputy Speaker: —or on suggestions made.

[*Text*]

The government leader has announced the business for tomorrow and I believe that is the only thing we can take up at this time.

It being three minutes after six o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Thursday, April 9, 1964

The house met at 2.30 p.m.

TRADE

MEETING IN OTTAWA OF JOINT U.S.-CANADIAN COMMITTEE

Right Hon. L. B. Pearson (Prime Minister): Hon. members will recall that when the President of the United States and I met in Washington last January we reviewed the work of the joint United States-Canadian committee on trade and economic affairs and agreed that it should meet again around the end of April. This committee was established in November, 1953 and normally meets alternately in Ottawa and Washington. It has now been agreed that the committee, which held its last meeting in Washington on September 20 and 21, 1963, will meet again in Ottawa on April 29 and 30.

Canada will be represented at this meeting by the Secretary of State for External Affairs and the ministers of finance, trade and commerce, industry and agriculture. The United States delegation will be led by Mr. Rusk, the secretary of state, and will consist of the secretaries of the treasury, interior, agriculture and commerce and the under secretary of state. In addition Governor Herter, the President's special representative for trade negotiations, and the chairman of the council of economic advisers are expected to attend as are Mr. Robertson, the chief negotiator for the Canadian government on tariffs and trade and the governor of the Bank of Canada, together with the United States ambassador in Ottawa, and our ambassador in Washington.

This meeting will provide a valuable opportunity for the ministers of both countries to review economic and trade interests of common interest and concern. Canadian ministers look forward to welcoming their United States colleagues to Ottawa and having mutually useful discussions with them.

NATIONAL DEFENCE

APPREHENSION OF PERSONS RESPONSIBLE FOR ARMOURIES THEFTS

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): I should like to direct a question to the Minister of Justice and ask him whether he could now make a report regarding the present position of the investigation being carried out in connection with the losses and thefts from the armouries. I have delayed making this request for a considerable time. There was a report in the press a couple of weeks ago of a number of arrests. Since then no report has been made to the house and, as this matter has been outstanding for weeks, I feel the minister should be in a position now to lift the veil of silence which has surrounded this whole matter.

Hon. Guy Favreau (Minister of Justice): I wish to thank the right hon. gentleman for having agreed, understanding the difficulty of my position, not to press questions on this matter in the course of the last ten days or so. I hope he will understand that I am not abusing the position when I say that for the reasons I have earlier stated in this house I am still not in a position to furnish an up to date report on this important and serious matter.

PROPOSED COMMON UNIFORM FOR ALL ARMED FORCES

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I would like to address a question to the Minister of National Defence. Will the minister please advise the house whether so-called spokesmen of the Department of National Defence have been authorized by him to indicate that there shall be integration of the armed forces to the point of having a common uniform by 1967? At the same time would the minister advise me whether he has completed his inquiries into the question of leaks in regard to the white paper, which I raised some two weeks ago.

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, I am very pleased that the hon. gentleman has asked this question because it gives me an opportunity to correct the impression created by a newspaper story yesterday. It is true, as the press has reported, that the Department of National Defence considers July 1, 1967 as an acceptable target date for the unification of the three forces for planning purposes. I have said in the past that the integration to unification process would take approximately three to four years.

On the subject of uniforms, however, it will be some time before we start considering this matter. In the meantime there are more urgent tasks to be undertaken. A planning

group is now working out the plans for the new single defence staff. Once legislation has been passed and the single defence staff is in existence, it will start to work on the formation of the headquarters organization, followed by the integration of field command organizations. So there is much work to be done before consideration can be given to the subject of uniforms.

I have no doubt, however, that the new defence staff will eventually study this matter, particularly the problem of utilizing present investments, both private and public, in uniforms and also the preservation of valued traditions. I am well aware of the great pride that service personnel, both regular and reserve, have in their uniforms, and there will be no decisions taken without full consideration of all the factors involved.

Mr. Lambert: A supplementary question, Mr. Speaker. Am I to take it from the reference to unification that the minister intends there shall be one defence force, or one armed force in this country, and there will be no distinction among the present three services or any of the units thereof?

Mr. Hellyer: Mr. Speaker, I made it quite clear—and this is set out in the white paper—that the integration of the defence staff is the first step toward a single unified defence force for Canada.

Mr. Lambert: Mr. Speaker, would the minister please answer the second portion of my question, as to whether he has yet been able to plug the leaks in so far as the white paper and other matters are concerned.

Mr. Hellyer: This matter is quite well under control, Mr. Speaker.

Mr. Erik Nielsen (Yukon): Mr. Speaker, may I ask the minister about something which does not appear in his white paper. Once integration has been completed, is it the ultimate intention to retain the positions of chief of the naval staff, chief of the general staff and chief of the air force under the head of the chief of all integrated services?

Mr. Hellyer: No, Mr. Speaker, it is not the intention to retain those positions, and this will be set out in legislation to be presented to the house by the government I think either today or tomorrow.

Mr. Donald MacInnis (Cape Breton South): Mr. Speaker, a supplementary question to the Minister of National Defence. In answer to the hon. member for Edmonton West he indicated that the leaks within the Department of National Defence had been brought under control. Would the minister undertake to remove these leaks?

[Mr. Hellyer.]

Mr. Hellyer: Mr. Speaker, all I can say is that in accordance with the recommendations of the Glassco commission we are proposing to establish an integrated information service, which I think will be of benefit not only to the members of this house but to the whole Canadian nation.

PUBLICATIONS

EXEMPTION FROM SALES TAX OF "READER'S DIGEST" AND "TIME"

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): I should like to direct a question to the Prime Minister. Would the right hon. gentleman advise us whether it is the intention of the government to proceed with the legislation in its original form with respect to the tax exempt position of two publications, *Reader's Digest* and *Time* magazine, or whether, as I indicated yesterday to the Minister of Finance, there have been pressures brought to bear on the government which might lead to the modification of its program?

Right Hon. L. B. Pearson (Prime Minister): The intention of the government in connection with this matter of policy will be quite clear when the legislation on this subject is introduced in the house.

PENSIONS

CANADA PLAN—REPORTED ONTARIO INTENTION NOT TO PARTICIPATE

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I ask the Prime Minister if he is now in a position to answer the question I put to him yesterday with reference to the statement that had just been made by Premier Robarts concerning the Canada pension plan. My question was:

> Can the Prime Minister say whether this differs from the understanding he had at the Quebec conference? Could he also say whether the federal government is still doing its best to persuade Ontario to stay in the Canada pension plan?

Right Hon. L. B. Pearson (Prime Minister): I have now had an opportunity of reading the text, or at least a partial text, of what Mr. Robarts said as it appeared in the *Globe and Mail,* and there was nothing in that text which would warrant any change in the government's proposal to proceed with the Canada pension plan.

Some hon. Members: Hear, hear.

Mr. Pearson: I hope, Mr. Speaker, that the premier of Ontario, who apparently has not made up his mind on this matter, will feel

that it will be in the best interests of the people of Ontario to participate in that plan, and anything we can do to convince him of that fact, we will be very happy to do.

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I should like to address a question to the right hon. Prime Minister that is perhaps partially supplementary to the one he answered a few minutes ago. Has the premier of Ontario had any communication with the federal government during the last few days indicating that he intends to set up a provincial pension plan?

Mr. Pearson: No, Mr. Speaker.

Mr. Olson: A supplementary question, Mr. Speaker. May I ask the Prime Minister whether the government is prepared to offer the provinces a greater share of the investment funds, as this seems to be the major objection mentioned in Premier Robart's speech of a few hours ago?

Mr. Pearson: Mr. Speaker, we have put forward our own proposals in this and other respects. After consideration of the views of the provinces those proposals will be considered by the committee of parliament if and when that committee gets the bill, and I hope it will shortly. All these things can be considered in detail at that time.

POWER

PEACE RIVER—APPLICATION FOR CONSTRUCTION OF DAM

On the orders of the day:

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, my question is for the Minister of Public Works, but in his absence I will address it to the parliamentary secretary. Can the parliamentary secretary tell the house whether an application has been received for a licence under the terms of the Navigable Waters Protection Act with respect of the Peace river in British Columbia and, if so, has a licence been granted and to whom?

Mr. G. Roy McWilliam (Parliamentary Secretary to Minister of Public Works): Mr. Speaker, I will take this question as notice and bring it to the attention of the minister.

BROADCASTING

REQUEST FOR ANNOUNCEMENT OF COMMITTEE OF INQUIRY

On the orders of the day:

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I should like to direct a question to the Secretary of State. Could he tell us when he proposes to announce to the house the setting up of a committee on radio broadcasting and television? Also, could he tell us exactly what kind of committee he intends to form in order to inquire into that matter?

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, I intend to make a statement in that regard as soon as possible.

Mr. Gregoire: That is no answer.

[*Text*]

HOUSING

AID TO URBAN RENEWAL—EXTENT OF APPLICATION

On the orders of the day:

Mr. S. Perry Ryan (Spadina): Mr. Speaker, I have a question for the Postmaster General. Will federal government aid for urban renewal areas, such as the Alexandra Park plan announced by the minister yesterday, include any N.H.A. or equivalent loans to the home and business owners whose premises will require to be rehabilitated?

Hon. J. R. Nicholson (Postmaster General): Mr. Speaker, in connection with the announcement made yesterday, my announcement was restricted to what is possible under existing legislation. The type of aid the hon. member is asking about is not possible under existing legislation. The matter is under study, and when government policy has been determined it will be announced.

EXTERNAL AFFAIRS

CYPRUS—REQUEST FOR INCREASED NUMBER OF CANADIAN TROOPS

On the orders of the day:

[*Translation*]

Hon. Paul Martineau (Pontiac-Temiscamingue): Mr. Speaker, I should like to put a question to the Secretary of State for External Affairs. Could he tell us whether the secretary general or any other official of the United Nations has asked the government to increase the strength of the Canadian force in Cyprus?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, since this matter is being discussed with the U.N. secretary general at present, I am not in a position to provide the hon. member with an answer.

Mr. Martineau: Am I to understand that the government is in touch with the secretary general at present concerning this request?

Mr. Martin (Essex East): Our ambassador to the United Nations had an interview with the secretary general this morning, but he has not yet reported to me.

[*Text*]

CYPRUS—REQUEST FOR DISCLOSURE OF DIRECTIVES TO PEACE KEEPING FORCE

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs. It is in two parts. First of all, has the government of the United Kingdom, through its minister of defence or its foreign secretary, requested the secretary general of the United Nations to make public the directives to the United Nations force in Cyprus? Second, has the Secretary of State for External Affairs himself made such a request to the secretary general of the United Nations?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, the answer to the first part of the question, in so far as I know, is no, and the answer to the second part of the question is no.

Mr. Nesbitt: May I ask a supplementary question. Does the minister not think that the secrecy of these regulations or directives to the United Nations force encourages the Greek Cypriots to make dangerous experiments with the United Nations forces to see just how far they can go?

Mr. Martin (Essex East): The answer to that question is no.

KOREA—REPORTED TRANSMISSION OF MILITARY INFORMATION TO CHINESE

On the orders of the day:

[*Translation*]

Mr. Gerard Chapdelaine (Sherbrooke): Mr. Speaker, I should like to put a question to the Prime Minister. Could he tell us whether he was aware, when he was secretary of state for external affairs at the time of the Korean war, of diplomatic intrigues to forward General MacArthur's plans of attack to red China through Great Britain, while our Canadian soldiers were fighting and dying in Korea?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): I am not aware of any such move, Mr. Speaker, and the reports have already been condemned as false by the British foreign office and by officials in Washington.

CANADIAN MEMBERSHIP IN ORGANIZATION OF AMERICAN STATES

On the orders of the day:

[*Translation*]

Mr. Lucien Plourde (Quebec West): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs. Can he tell the house about the possibility for Canada to initiate negotiations of some sort with the Organization of American States? Can he tell us also whether representations from this organization have been made to the Canadian government?

[*Text*]

Mr. Speaker: Order, please. This is definitely the type of question which should be on the order paper. If I am not mistaken it has been asked once or twice before this session.

PRIVILEGE

MR. LANGLOIS—SPEECH BY TRANSPORT MINISTER RESPECTING HOUSE RULES

On the orders of the day:

Mr. Raymond Langlois (Megantic): Mr. Speaker, I rise on a question of privilege in connection with an article appearing in this morning's Montreal *Gazette* relating to the statement of the Minister of Transport to the Canadian association of broadcasters. The Minister of Transport said publicly that parliament was a complete failure, and he seemed to accuse everyone and everything in it, including the opposition, its procedures and so on and so forth, except himself and the government. To be more specific, he outlined a series of reforms which he feels should bring some sort of order out of chaos. He wants to abolish appeals from rulings of the Speaker, to allow procedural changes without unanimous consent, to ration the time allowed to most debates, and to reform the question period.

Some hon. Members: Hear, hear.

Mr. Langlois: Mr. Speaker, this would be a very good reform, but I am wondering whether the Minister of Transport would go along with it. The point I want to make is that the Minister of Transport, instead of making a declaration of that kind to the public, should speak about the matter first to the house and try to get reform on the part of all members, instead of trying to put the blame on the opposition when there is blame on the other side also.

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, since my name has been drawn into this perhaps I might be allowed to say that I made a speech in Quebec yesterday without having a text. I made it to broadcasters and being broadcasters, they made a tape of it. I am going to have a transcript made, as soon as possible, and I will send it to the hon. gentleman and to any other hon. member who wants to see it. I hope the hon. member for Megantic will support the suggestions I made in that speech.

Mr. Langlois: Mr. Speaker—

Mr. Speaker: Order. It seems to me we have spent enough time on this subject.

Mr. Langlois: On a point of order, Mr. Speaker, just for clarification may I say I am willing to accept it if the Minister of Transport will also accept his own suggestions.

INQUIRY FOR RETURNS

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, the matter raised by the hon. member for Megantic causes me to ask a couple of questions of the Secretary of State, for after all questions are answered within three days in the United Kingdom instead of having to wait almost an eternity, as has become the custom lately in this house. Why is it that ten orders for returns directed by the house at the last session have not been brought down? I seem to recall that on February 25 the minister said he would see whether he could table the remaining orders for returns not then made to the house. In spite of the long period that has intervened since February 25 we are in the same position of being denied information that we should have.

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, I will certainly make inquiries immediately and try to satisfy the right hon. gentleman as soon as possible.

THE CANADIAN ECONOMY

STEPS TO MEET REPORTED INCREASE IN COST OF LIVING

On the orders of the day:

Hon. H. J. Flemming (Victoria-Carleton): Mr. Speaker, I have a question for the Prime Minister. Will the Prime Minister inform the house regarding any steps taken or contemplated relative to the alarming increase in the cost of living of 2.5 points as of March 1, 1964 as compared with the same date one year earlier?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, government policy in this matter will be announced on an appropriate occasion. The government is doing everything a government can do to keep the country prosperous, which is the best way of keeping the cost of living down.

[*Translation*]

Mr. Henri Latulippe (Compton-Frontenac): Mr. Speaker, I should like to direct a question to the Prime Minister. Can he indicate in a general way whether positive steps will be taken to help the population meet the increased cost of living which reached a peak during February?

[*Text*]

Mr. Pearson: If I answered that question I should be participating in the budget debate.

[*Later:*]

Mr. E. Nasserden (Rosthern): My question is directed to the Prime Minister. Does the right hon. gentleman's reference to the budget and the increase in the cost of living indicate an assertion that the budget has contributed to the increase in the cost of living?

Mr. Pearson: The increased economic activity of Canada under this government has undoubtedly increased the pressures on the cost of living.

Mr. Diefenbaker: So we have inflation.

HOUSE OF COMMONS

PRESENCE IN GALLERY OF NOVA SCOTIA HOCKEY TEAM

On the orders of the day:

Hon. George C. Nowlan (Digby-Annapolis-Kings): Mr. Speaker, I should like to direct a question to the Minister of Labour as the minister from Nova Scotia. Is he aware of the fact that the Windsor Maple Leafs hockey team, champions of eastern Canada, are in the gallery on the road to the Allan cup; and will the minister agree with me that by winning the Allan cup they will be making Nova Scotia's usual contribution toward strengthening confederation?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, I am aware of the presence of this outstanding hockey team in the gallery. My hon. friend's question allows me to make at least one non-controversial statement in the house, namely that every member of the house wishes this team success on Friday.

DOMINION-PROVINCIAL RELATIONS

STATEMENT BY MONTREAL MAYOR RESPECTING CO-OPERATIVE FEDERALISM

On the orders of the day:

[*Translation*]

Mr. Auguste Choquette (Lotbiniere): Mr. Speaker, I should like to direct a question to the Secretary of State.

The mayor of Montreal, Mr. Jean Drapeau, stated yesterday on television that he did not know what co-operative federalism was, and also that he did not believe the public could understand what it was all about. Would the Secretary of State explain to the house what constitutes the substance of the government's

policy on federal-provincial relations? In brief, would he define co-operative federalism?

Mr. Pigeon: Here is the answer; it is a fiasco.

[*Text*]

Mr. Speaker: Order, please. This is a very interesting statement, but I do not think the Secretary of State should be called upon at this time.

TRANS-CANADA HIGHWAY

DISCUSSIONS WITH PROVINCES RESPECTING SECOND ROUTE

On the orders of the day:

Mr. Frank Howard (Skeena): I should like to direct a question to the Minister of Public Works about a subject that has lapsed into obscurity recently. Is the minister in a position to report to the house about the progress, or lack of it if that is the case, that is being made in discussions with the various provinces on a proposed second trans-Canada highway?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, I will take this question as notice and some time next week I might make a statement.

[*Later:*]

Mr. Charles J. M. Willoughby (Kamloops): I have a supplementary question for the Minister of Public Works following the question put by the hon. member for Skeena. Unfortunately I could not make myself heard at the time. I would now ask the minister this. In view of the fact that several weeks ago he suggested to this house that at the federal-provincial conference there would be a discussion on the possibility of co-ordinating plans for further trans-Canada highways, was this subject discussed at the conference?

Mr. Deschatelets: If I remember well, I said a few weeks ago that it would be inadvisable for me to make any statement before the federal-provincial conference took place. As I said in reply to a question a few minutes ago, some time next week I shall make a statement which will cover all aspects of this question.

LABOUR CONDITIONS

REQUEST FOR EXTENSION OF WINTER WORKS PROGRAM

On the orders of the day:

[*Translation*]

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, I should like to direct a question to the Minister of Labour. In view of the fact that several mayors of the western region of the Lake St. John county are sitting in the galleries, I should like to ask the Minister of Labour, for their information, whether he intends to extend the winter works program in the areas designated as distressed areas, so that they may complete their projects?

[*Text*]

Hon. A. J. MacEachen (Minister of Labour): I replied to that question yesterday and I have nothing to add to what I said at that time, namely that the matter would be given consideration.

BASIS FOR FIGURES RESPECTING NUMBER OF UNEMPLOYED

On the orders of the day:

[*Translation*]

Mr. Maurice Cote (Chicoutimi): Mr. Speaker, I wish to direct a question to the Minister of Labour; he is certainly kept very busy this afternoon.

Can the Minister of Labour tell the house if the official unemployment figures take into account some 600,000 citizens on social welfare who are also, for the most part, unemployed people living in hardship?

[*Text*]

Hon. A. J. MacEachen (Minister of Labour): May I just say that the sample survey covers a sample of Canadians from which is derived a total reflecting the number of persons in the labour force who are willing to work and who are out of work. That is the best figure we have, and it is somewhat different from the figure mentioned by the hon. member.

[*Translation*]

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, I wish to ask a supplementary question. Can the Minister of Labour tell us why he does not use the figures released each month by the unemployment insurance offices throughout the country, which give the exact number of unemployed they have on their hands? Why does not his department use those figures which are accurate and not just guesswork?

[*Text*]

Mr. MacEachen: There was a good deal of discussion on this matter some years ago, and I think it has been accepted by the house that the figures to be used are the dominion bureau of statistics figures based on the sample survey. It is obvious that the figures which are released by the unemployment insurance commission reflecting active claims in a particular period are not an accurate measure of unemployment. Other factors obviously enter into it; persons who claim

benefits and take jobs before they collect benefits, and so on. The figure that has been accepted is the dominion bureau of statistics figure, and these others are used for other purposes.

LABOUR RELATIONS

GREAT LAKES—INQUIRIES RESPECTING ACTIVITIES OF TRUSTEES

On the orders of the day:

Hon. A. J. MacEachen (Minister of Labour): I should like at this time to provide information in reply to a number of questions asked this week concerning the activities of the board of trustees in the maritime situation. These questions were raised by the hon. member for Burnaby-Coquitlam and the hon. member for Ontario.

The first question concerns the integration of the seamen's union. The trustees have indicated that they do not favour the integration of licensed personnel in the S.I.U. To the contrary, they endorse the recommendations of Hon. Mr. Justice Norris that officers be separated from other personnel. They would favour the integration of engineers with other ships' officers if the engineers and other officers so desire. The trustees would favour integration of unlicensed personnel into one union, again only if the unlicensed personnel so desired. In this respect they endorse the recommendations of Hon. Mr. Justice Norris as to integration. The trustees do not favour any integration against the will of the seamen concerned. Hon. members will recall that there are provisions of the Industrial Relations and Disputes Investigation Act governing representation questions concerning unlicensed and officer personnel.

Another question raised concerned the "do not ship" list. There was no "do not ship" list in existence when the trustees were appointed, and there is not one now. Members of the trustees staff have been endeavouring to locate persons who at one time had been placed on the "do not ship" list and, where it appears they are interested, are asking them if they wish their case investigated. The trustee representatives in the hiring halls will see that the "do not ship" practice is not revived.

I have discussed with the trustees the suggestion made by the hon. member for Burnaby-Coquitlam that they meet with the industrial relations committee of the house. The trustees have carefully considered this suggestion and feel that a meeting with this committee at this time would prejudice their efforts to achieve the objectives defined by the Maritime Transportation Unions Trustee Act. This is particularly so since much of the information in their possession is felt by the trustees to be the property of the unions they represent. The trustees naturally understand and appreciate the interest shown by members of the house in the carrying out of the difficult tasks with which they are charged.

Finally there is the question concerning hiring halls, raised by the hon. member for Ontario. The methods of hiring are governed by law, collective agreements and the constitution of the union in question. As indicated earlier, the trustees have placed a representative in each hall who will endeavour to see that prescribed hiring arrangements are fairly followed, and the trustees will make suggestions for changes in the collective agreements and in the union constitution in this regard.

With regard to the specific question which the hon. member for Ontario posed, I understand a full member of the S.I.U. of Canada does have the privilege of accepting or refusing a particular referral. This privilege does not extend at present to probationary members. The rules governing these matters are now under review by the trustees and the unions.

Hon. Michael Starr (Ontario): May I ask a supplementary question in respect of the last answer regarding hiring halls. Does the employer have the same privilege of rejecting an employee where a referral from the hiring hall is concerned?

Mr. MacEachen: I believe this would be covered by the specific agreement, but I will get this information.

Mr. Stanley Knowles (Winnipeg North Centre): May I ask the Minister of Labour if it is an oversight that there is nothing in his statement today regarding Mr. McLaughlin taking over the headship of the S.I.U.?

Mr. MacEachen: No; I have attempted to answer every question that was left unanswered at the close of proceedings two days ago.

Mr. R. N. Thompson (Red Deer): Yesterday it was brought to the attention of the Minister of Labour that members of the rights and welfare committee of the S.I.U. were protesting strongly against the appointment of Mr. McLaughlin to the position he is to be appointed to. Has the minister anything to say with regard to this, and what action does he intend to take in regard to the trustees' decision?

Mr. MacEachen: Yesterday, as the hon. member for Red Deer points out, members of the house, including the hon. member for Lake St. John and the hon. member for Fraser Valley, raised questions concerning a telegram which was sent to me by S.I.U. members of the rights and welfare committee, signed by

Michael Sheehan, John J. Wood and Omer Boudreau, directors of the committee. To my knowledge these persons are not currently members of the S.I.U. and the first one, I understand, is a member of the C.M.U. However, I have replied to this telegram and have pointed out to the persons signing it that these are matters for the board of trustees.

The only observation I could make at the present time on the contents of the telegram is that while the trusteeship act does permit certain action to be taken regardless of the constitutions of the maritime unions, it does not permit the constitution of any maritime union to be scrapped.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, as a further supplementary question, since the minister has told us the trustees do not think this would be a good time for them to discuss these matters with the industrial relations committee of this house, do the minister and the government share that view, or do they not think that perhaps the information that could be given would be illuminating to members of the house and therefore worth while?

Mr. MacEachen: Mr. Speaker, I have discussed this matter very carefully with the chairman of the board of trustees and with Mr. Millard, who undertook the negotiations in the recent crux, and it is the unanimous view of the trustees that a public appearance before a committee of the house would involve discussion of matters which at the present time would, in their view, prejudice their work as members of the board of trustees.

Having discussed that matter with the trustees I am bound to agree with them that at present it would not be in the interests of a solution of this problem to have that kind of situation develop. I do, of course, reserve the right to raise this question later on when these same circumstances may not prevail.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I would like to ask the minister in this connection whether the Banks McLaughlin "no ship" blacklist is still being followed. In addition, are those seamen who are on that blacklist still being denied employment on lake shipping?

Mr. MacEachen: Mr. Speaker, the trustees advise me that when they took over there was no such list in existence. One of their staff is making every effort to right any injustice that may have been caused to a person whose name was placed on such a list, and any person who has a grievance in this connection is invited to come forward and have the matter clarified by the trustees.

Mr. Diefenbaker: I thank the minister for that answer, but I would point out to him that last evening in Montreal I was informed that there are in fact seamen who are still being denied employment because of their absence from the list of those whom Mr. Banks and Mr. McLaughlin felt should have employment. I hope the minister will look into this, because this would simply mean a continuance either under Banks, McLaughlin, or the board of trustees of major wrongs that caused an intolerable situation.

Mr. MacEachen: Well, Mr. Speaker, I would certainly say the board of trustees are anxious to uproot any vestige of this d.n.s. list. If there is any member of the S.I.U. with a grievance in this connection he ought to come forward, either to the Minister of Labour or the board of trustees, and every effort will be made to right any injustice.

Mr. Diefenbaker: And in this uprooting process I ask the minister does he not think that if McLaughlin carries on in the position of the president of the union, all the evils of the Banks regime will still continue?

Mr. MacEachen: Mr. McLaughlin, if and when he succeeds to the presidency, will be under the close supervision of the board of trustees.

Mr. Knowles: With regard to the matter of the trustees appearing before the industrial relations committee, would it not be the prerogative of that committee to decide whether or not to summon them to appear before it? Will the minister not consider arranging for a meeting of the industrial relations committee so that it can make the decision?

Mr. MacEachen: Mr. Speaker, I would not wish to answer the procedural question which the hon. member raised without further consideration, but I am sure he would agree it is important at this particular stage of the matter that the views of the trustees be carefully considered by members of the house—

Mr. Knowles: This is a two way street.

Mr. MacEachen: —because it would be our wish to allow them, at this stage, to have a considerable amount of latitude with respect to matters which they are not in a position to discuss publicly. I have nothing to add to the statement I made earlier, and I must accept at this stage the views put forward by the trustees.

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, as a further supplementary question I would like the minister to tell us whether the officers of the all-Canadian unions now

coming under the jurisdiction of the maritime trustees have expressed their satisfaction with the preference shown for Mr. McLaughlin by the trustees.

Mr. MacEachen: Not to my knowledge, Mr. Speaker.

Mr. Donald MacInnis (Cape Breton South): As a further supplementary question to the Minister of Labour, are the trustees, in permitting the S.I.U. constitution to be carried out in the replacement of Banks by McLaughlin, fulfilling any arrangements made with Paul Hall?

Mr. MacEachen: Mr. Speaker, two days ago I promised the hon. member for Burnaby-Coquitlam I would table copies of the joint statement issued by Mr. Charles Millard and Mr. Paul Hall, and I shall do so now if I have permission. This request was made by the hon. member for Burnaby-Coquitlam, and if I have permission to table a copy the answer to that question will be contained in the statement, which the hon. member could study.

Mr. Speaker: Does the house give consent to the tabling of the said document?

Some hon. Members: Agreed.

Mr. Raymond Langlois (Megantic): Mr. Speaker, I would like to ask a supplementary question of the Minister of Labour. If Mr. McLaughlin is to succeed Hal Banks in the presidency of the S.I.U., thus continuing the regime of Hal Banks, does the minister sincerely think that seamen with grievances about the "do not ship" list will come forward and declare openly what they think?

Mr. Speaker: I hardly think the minister can be called upon to answer that question. It is in the nature of a hypothetical question, and I believe the situation has been made clear this afternoon.

CANADIAN BROADCASTING CORPORATION

OTTAWA—SUGGESTED DEDICATION OF HEADQUARTERS BUILDING

On the orders of the day:

[*Translation*]

Mr. Jean Chretien (St. Maurice-Lafleche): Mr. Speaker, may I put a question to the Secretary of State?

Since construction of the C.B.C. headquarters is practically completed in Ottawa, has the corporation taken a decision concerning the possibility of dedicating that building to the memory of John F. Kennedy, as I suggested last December?

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, I do not think the C.B.C. has made a decision in that connection but I shall inquire and report back to the hon. member.

Mr. Raymond Langlois (Megantic): Mr. Speaker, may I ask a supplementary question?

Has the Secretary of State received suggestions concerning a specific name to be given to that building?

Mr. Lamontagne: I should like the hon. member to repeat the last part of his question which I did not hear.

Mr. Langlois: Has the minister received suggestions concerning a specific name to be given to that building?

Mr. Lamontagne: No, Mr. Speaker.

[*Text*]

Mr. Speaker: It does seem to me this is the type of question which should be placed on the order paper. It illustrates how time can be used for, shall I say, better purposes.

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. R. Gordon L. Fairweather (Royal): Mr. Speaker, I have a question for the Prime Minister. Now that all the flowers have gone away, will the Prime Minister interpret for our benefit the interesting new parliamentary theory expounded by the Minister without Portfolio yesterday that "a private member has no right to question the word of a minister and more particularly what I", meaning the Minister without Portfolio, "said".

Right Hon. L. B. Pearson (Prime Minister): It is well known, of course, that one member in this house accepts the word of another whether he is a minister or not.

POST OFFICE DEPARTMENT

MONTREAL—AMOUNT STOLEN IN MAIL TRUCK ROBBERY

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Postmaster General. Could he tell the house whether it is true that the loss following the theft of a mail truck in Montreal, on March 31 last, will amount to $2 million?

[*Text*]

Hon. J. R. Nicholson (Postmaster General): There is little more to report at this time, except that the investigations are continuing. The amount involved is very substantial. It

is not $2 million but it is still very substantial. The investigating staff of the Post Office Department are working closely with the police, and measures have been taken which it is hoped will prevent recurrence of such thefts. However, the investigation has not reached a stage at which we can make any definite statement at this time.

I can assure the hon. member and the house that this matter is receiving very close attention, and as soon as we have the detailed information a statement will be made. The amount involved is perhaps in the vicinity of half the amount mentioned by the hon. member, or perhaps a little more. I think it might be somewhere in the vicinity of $600,000 to $800,000, possibly more.

POSTMASTERS ACTING AS AGENTS FOR NEWSPAPERS

On the orders of the day:

Mr. K. H. More (Regina City): I wish to direct a question to the Postmaster General. I have in my hand a circular received by a Regina resident from the Winnipeg *Free Press* seeking a renewal of subscription. At the bottom it says "Your Postmaster is our agent and will be glad to forward your renewal to us." My question is, are postmasters permitted to act as agents for newspapers?

Hon. J. R. Nicholson (Postmaster General): I hope not. I will take the question as notice and will certainly look into it.

POLICY RESPECTING CONSTRUCTION OF SMALL POST OFFICES

On the orders of the day:

Hon. J. R. Nicholson (Postmaster General): Mr. Speaker, on March 31 and again on April 3 the hon. member for Oxford during my absence from Ottawa asked the Acting Postmaster General, partly in that capacity and partly in his capacity as Minister of Public Works, some questions regarding the winter works program as it affected small post offices. He referred particularly to a letter which I had written to him and he questioned the Minister of Public Works regarding it.

I think, with respect, that if the hon. member had read the last two paragraphs of my letter, the answer is contained in those two paragraphs. What was referred to in those two paragraphs was the extended winter works program announced by the Minister of Labour last fall, it has nothing to do with the winter works program that has been in force over a period of years. It referred to the extended winter works program that was being terminated as of the end of April. There has been no change in the other program. When post offices are needed, if they fit in with the winter works program the Department of Public Works will be advised. This letter referred to the extended winter works program and nothing more.

Hon. Michael Starr (Ontario): A supplementary question, Mr. Speaker. I wonder whether the Postmaster General can enlighten the house by telling us what is the difference between the extended winter works program and the original one.

Mr. Nicholson: I would be glad to answer that question, Mr. Speaker, but it might take some time.

Mr. Starr: Go ahead.

Mr. Speaker: I have no desire to cut off the Postmaster General, but questions are supposed to be urgent, pressing and of a type not capable of being put on the order paper.

COMBINES

BRITISH COLUMBIA—SALE OF MEAT PACKING COMPANY

On the orders of the day:

Hon. Guy Favreau (Minister of Justice): Yesterday I undertook to answer a question by the hon. member for Skeena which revived a question he had put some time ago asking whether the Minister of Justice was aware of the circumstances involved in the sale of Pacific Meat Company to another company and the agreement made by Pacific Meat Company and the principals in the process of that sale, and whether a study could be made to determine whether there is an infraction of the Combines Investigation Act.

I should like to say in reply that the director is aware of the situation and can be expected to take any action under the Combines Investigation Act which the statute may require. The general practice, however, is that no information is given out as to whether a particular inquiry is being pursued unless and until a report is published. However, I may add—because this is general policy with the combines branch—that whether or not a formal inquiry is undertaken, the director of investigation and research examines all mergers such as the one in question here.

CANADIAN CONSTITUTION

REQUEST FOR COMMENT ON SPEECH BY PROFESSOR LASKIN

On the orders of the day:

Mr. Robert C. Coates (Cumberland): I wish to direct a question to the Prime Minister.

Has the attention of the right hon. gentleman been drawn to the speech of Professor Bora Laskin, a leading authority on constitutional law, delivered before the Port Arthur Canadian club and reported in today's issue of the Montreal *Gazette*? If so, would he care to comment on that address?

Right Hon. L. B. Pearson (Prime Minister): No, sir, I have no knowledge of that speech.

SHIPPING

EFFECT OF LOW WATER LEVELS IN GREAT LAKES

On the orders of the day:

Mr. P. V. Noble (Grey North): I should like to direct a question to the Minister of Northern Affairs and National Resources. Is the minister prepared to make a statement with respect to his findings concerning water levels on the great lakes?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Our branch officials concerned are finding this a very complex matter. A complete statement is being prepared, and it will be of such length that I think I shall be asking the house to agree that it be printed without being read. However, it is not completed yet.

NORTHERN AFFAIRS

ADMINISTRATION OF ESKIMO AFFAIRS, QUEBEC—CONSULTATIVE COMMISSION

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, yesterday I asked the Prime Minister a question concerning the setting up of the commission between the federal and Quebec governments, which he said he would take as notice. I wonder whether he can answer it today.

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker.

Mr. Nielsen: Then I have a supplementary question, Mr. Speaker. In view of the ultimatum that Mr. Rene Levesque has laid down in these terms:

> We will never accept a referendum to help a bunch of hypocrites get the answer they want.

Some hon. Members: Order.

Mr. Speaker: Order, please. In view of the lateness of the hour may I suggest to the experienced hon. member that he pose his question succinctly.

Mr. Nielsen: Mr. Speaker, had Your Honour not risen it would have been finished by now.

Some hon. Members: Oh, oh.

Inquiries of the Ministry

Mr. Nielsen: Having regard to that ultimatum by Mr. Levesque, I wonder whether the Prime Minister will say if his government intends to consult with the Eskimos as to the setting up of this commission and as to a general agreement regarding the takeover.

Mr. Pearson: Mr. Speaker, this question has already been dealt with, and the supplementary estimates of this department will be considered shortly. If past practice is any criterion, the house will be able to deal with this matter in the next three or four days.

FORT CHURCHILL, MAN.—TRAINING SCHOOL FOR ESKIMO CHILDREN

On the orders of the day:

Mr. Robert Simpson (Churchill): Mr. Speaker, I should like to direct a question to the Minister of Northern Affairs and National Resources. Can the minister advise the house whether it is the intention of his department to conduct a vocational training school or a training school of any nature for Eskimo children at Fort Churchill, and when he expects this program may be instituted?

Mr. Speaker: I think this is a question for the order paper.

AGRICULTURE

SOYBEANS—REQUEST FOR ANNOUNCEMENT OF SUPPORT PRICE

On the orders of the day:

Mr. H. W. Danforth (Kent, Ont.): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. As he is not in his seat perhaps I can direct it to the parliamentary secretary. Since we are now perilously close to the planting season, can we now have the government's policy in regard to the support price of soybeans for 1964, under the stabilization act?

Mr. B. S. Beer (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, I will have to bring this question to the attention of the minister.

Mr. Pigeon: Where is the minister?

TOBACCO—REQUEST FOR ASSISTANCE FOR ONTARIO GROWERS

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I should like to direct a question to the Minister of Agriculture, but in his absence perhaps the parliamentary secretary could answer it. Has any decision yet been reached concerning the requested assistance to tobacco growers in southwestern Ontario? I would emphasize that this is a very urgent matter indeed.

Mr. Speaker: I think this question fits into the same category of questions for the order paper.

BUSINESS OF THE HOUSE

INQUIRY AS TO APPOINTMENT OF STANDING COMMITTEES

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, if the Minister of Justice is still house leader I would like to pose a question to him in that capacity. Inasmuch as a number of committees studying very important matters at the last session recommended in their reports that they be reconstituted at the earliest possible moment in this session, can the Minister of Justice in his capacity as house leader now tell us whether the Conservative party has filed its list of members for the committees, so they can be established?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, the answer is yes, and the members will begin being named tomorrow.

PRIVILEGE

MR. HAIDASZ—ANNIVERSARY OF MASSACRE OF WARSAW GHETTO

On the orders of the day:

Mr. Stanley Haidasz (Parkdale): Mr. Speaker, on a point of special privilege, in unison with voices in other democratic parliaments of the world I would like to bring to the attention of this house that today certain Canadian groups across Canada are commemorating the sad anniversary of the courageous uprising of the people of the Warsaw ghetto. It is to be stressed that six million Jews, men, women and children, lost their lives almost 20 years ago at the hands of nazi persecutors. It is hoped that the Canadian government will do everything in its power in the future to prevent such massacres and attempts at genocide.

SUPPLY

House again in committee of supply, Mr. Lamoureux in the chair.

DEPARTMENT OF NATIONAL DEFENCE

Royal Canadian Air Force—

35e. Operation and maintenance, $13,653,000.

The Chairman: Shall this vote carry?

Mr. Nasserden: Mr. Chairman, is the associate minister going to provide the answer to the question I asked yesterday on this vote?

Mr. Cardin: Mr. Chairman, the hon. member asked whether any amount of money in this item pertains to the R.C.A.F. station at Saskatoon. The R.C.A.F. estimates do not usually provide specific amounts for the operation and maintenance of any particular station.

The Chairman: Order, please. The Chair cannot hear the minister, and I am sure the hon. member for Rosthern cannot hear the reply being given.

Mr. Cardin: The R.C.A.F. estimates do not usually provide specific amounts for the operation and maintenance of any particular station. However, it is estimated that the operating costs associated with the station at Saskatoon amounted to $1,700,000 in the fiscal year 1963-64.

Item agreed to.

DEPARTMENT OF NATIONAL HEALTH AND WELFARE

1e. Departmental administration, $19,000.

Mr. Monteith: Mr. Chairman, I would like to ask the parliamentary secretary whether he can give me some of the details of the first item, "Professional and special services", in the amount of $11,000.

Mr. Munro: Mr. Chairman, if I might answer the hon. member on behalf of the minister, this item is to provide for legal services by a lawyer appointed by the Department of Justice to assist the Department of National Health and Welfare in the drafting of the proposed Canada pension plan legislation.

Mr. Simpson: Mr. Chairman, speaking on the first item of this department I should like to say to the acting minister that I am sure all the people of Canada are extremely proud of the accomplishments of our Canadian Olympic hockey team, which was assisted financially to a certain extent by the advisory council on fitness and amateur sport. The splendid efforts which were put forth by Father Bauer and his hockey team in Europe were greatly appreciated by the people of Canada.

I should like to ask whether it is the intention of the department or of the advisory council to carry on this same type of program or policy which was adopted last year. At that time it was adopted on a one year basis so as to recruit a Canadian Olympic hockey team. I am sure many people in Canada would like to know whether this step is going to be followed up in preparation for the next Olympics four years hence, or whether the whole idea will be scrapped. I would heartily recommend that the advisory council be asked to give very strong

consideration to carrying on with this program in order to prepare for a strong Canadian representation in the field of hockey at the next Olympic games.

Mr. Munro: I shall be pleased to bring to the attention of the minister the hon. member's point of view. I do not believe there is any intention of scrapping the idea.

[*Translation*]

Mr. Marcoux: Mr. Chairman, I should like to deal with a few very important matters concerning the interprovincial games of 1966 which will be held in Quebec, and with some statements made by the Minister of National Health and Welfare (Miss LaMarsh). However, I will raise these later when the general estimates of the Department of National Health and Welfare will be before us, because I think that will be a more appropriate time.

Mr. Lessard (Lake St. John): Mr. Chairman, I wish to put a single question, or rather make a remark to the parliamentary secretary to the Minister of National Health and Welfare.

I referred recently to him a problem which had been called to my attention by the Saguenay association for the blind, inquiring about the possibility of obtaining, through his department, passes allowing the blind to travel free on C.N.R. trains within Canada.

Has the hon. member made inquiries in his department and would he be in a position to inform me in that regard?

[*Text*]

Mr. Munro: I am well aware of the representations made in this regard by the hon. member. The matter has been sent to the department for report. I have not yet received this report, but I will check into it again today and try and have the information for the hon. member before the end of the week.

[*Translation*]

Mr. Pigeon: Mr. Chairman, I have only one question to put to the parliamentary secretary. Could he tell us, and if he cannot do so today he could give me the information later by letter how many requests he received from the Quebec government regarding building plans submitted to Ottawa for the construction of new hospitals in the province of Quebec, but more particularly in St. Henri, in Montreal, and in the city of Joliette, where there is an urgent need for a hospital, as well as in the city of L'Assomption?

If the parliamentary secretary cannot give me this information today, I should be obliged if he would give it to me later, either by letter or in the house.

Mr. Munro: Yes, Mr. Chairman.

[*Text*]

I would be pleased to do that, Mr. Chairman.

Mr. Nasserden: Mr. Chairman, I have just a few words on the Olympics, in regard to the bobsled team from Canada. I understand that the bobsled itself had to be brought from the Olympics by the Americans; otherwise the team appears to have received fairly good co-operation from the Canadian officials. I am just wondering whether in future consideration could be given to a little more co-operation with those who take the trouble which this team took to take part in the Olympics. There is more involved than appears on the surface, and certainly we should have brought their bobsled back instead of having the Americans do it.

Item agreed to.

25e—Health services, including assistance to the provinces—To authorize hospital construction grants to the provinces, the Northwest Territories and the Yukon Territory upon the terms and in the amounts detailed in the estimates and under terms and conditions approved by the governor in council, $2,000,000.

Mr. Horner (Jasper-Edson): Mr. Chairman, I should like to ask the parliamentary secretary two or three questions with regard to hospital construction grants. First of all I would refer to the auxiliary hospital program initiated by the province of Alberta two or three years ago, the building program in connection therewith having stopped in the last few months. I want to know specifically whether the federal government have rescinded their grants to these auxiliary hospitals on the ground that they are not active treatment hospitals. If so, is this part of the reason that the Alberta program has been halted?

Second, there has been a considerable amount of pressure throughout the country for an increase in hospital construction grants, and I would appreciate knowing, as I know a lot of other people in the country would, whether the government is going to increase these grants.

Third, I should like to raise the question of construction grants for nurses' residences as they affect religious orders. I should like at some time a statement from the department with regard to their position in this matter and whether or not they consider these residences as they consider ordinary nurses' residences. If I could get these answers later I will be content.

Mr. Munro: I am sure every effort will be made to supply the hon. member with the answers on the main estimates. As to his

second point on hospital grants, I believe a statement will be made tomorrow in the house.

Item agreed to.

30e. Medical services—operation and maintenance, $950,000.

Mr. Monteith: Mr. Chairman, I wonder whether the parliamentary secretary could give us a brief outline of these additional costs for medical services and so on.

Mr. Munro: Yes, Mr. Chairman. Of the total amount of $950,000, $650,000 is required for hospital, doctors' and other professional and special services. This is because funds are required to meet the higher costs of hospitalization for tuberculosis and medical care and physicians and surgeons fees. These higher expenditures are due to an epidemic of tuberculosis in the Northwest Territories around Eskimo Point and to a greater demand for services of physicians and dentists.

Mr. Monteith: And the transportation item of $150,000?

Mr. Munro: This is an amount which is required to meet expenditure in excess of the original allotment as indicated by the trend in current expenditure. The outbreak of tuberculosis at Eskimo Point in the Northwest Territories has necessitated transportation of patients to treatment centres. The greater demand for treatment and services particularly in remote areas is increasing these expenditures.

Item agreed to.

DEPARTMENT OF NATIONAL REVENUE

Customs and excise divisions—

5e. Inspection, investigation and audit services, $90,000.

Mr. Howard: Mr. Chairman, I should like to relate a certain matter to the committee and to the minister handling these estimates, especially as he is now minister responsible for this particular department. I want to refer to an exchange of correspondence, part of which is between myself and the minister's predecessor, the late Mr. Garland. It dates back to January of this year, when the Vancouver fishermen's settlement service wrote to the deputy minister of national revenue for taxation in Ottawa and pointed out certain anomalies that had arisen with respect to fishermen and the filing of income tax forms for certain years.

I think I can do no better than to read part of the text of the letter to the deputy minister in order to indicate initially what the problem was. The letter reads in part as follows:

[Mr. Munro.]

> On July 9, 1963 this office filed notices of objection with you with respect to the assessments of Andrew Karjala and Arthur Moffatt. Our objection was based on our contention that the method of averaging fishermen's tax, as set out in the Farmers' and Fishermen's Guide 1962, and on which the reassessment of the returns in question was based, was in error. To date we have had no reply to our notices of objection, although more than six months have elapsed. We now have the 1963 edition of the Farmers' and Fishermen's Guide, and also form T2011, and we note that both of these prescribe a new procedure for averaging, which leads to the same result as our original returns for Karjala and Moffatt, and which contradicts the reassessment of their returns.
>
> We can only assume, therefore, that although the department has not seen fit to respond to our notices of objection it has nevertheless concluded that our objection was correct and has amended its own forms and instructions accordingly. We note also that the new form T2011 was printed in October, which proves that the department had accepted our interpretation at least three months ago.

I received a copy of that letter, as did the hon. member for New Westminster. I took the course of sending a copy of the letter to the late Mr. Garland in his capacity as minister of the department and asked him to deal favourably with the contention raised in the letter of January 20, 1964, from the Vancouver fishermen's settlement service. I received an interim reply that the matter was under study; then under date of February 27, 1964 I received this communication from the late Mr. Garland:

> Further to my letter of 10th February, 1964, I am pleased to advise that in the case of the notices of objection filed by the Vancouver fishermen's settlement service the taxpayers will be allowed to calculate their taxes in accordance with the method set out in the 1963 edition of the Farmers' and Fishermen's Guide.

As of March 13 the Vancouver fishermen's settlement service had not received any communication from the minister to the effect that he agreed with their contention. I do not know the reason for the failure to answer, but I note that the same thing occurred before with respect to the original notices of objection, in that no reply was received.

In fact what has happened is that undoubtedly these two fishermen, Karjala and Moffatt, were not the only fishermen who filed income tax forms for the year 1962 as prescribed in the Farmers' and Fishermen's Guide. Undoubtedly many thousands of farmers in Canada as well as many hundreds of fishermen filed income tax declarations according to the 1962 guide, and undoubtedly many of them had their returns reassessed.

It seems to me that there may well be thousands of people in Canada who are not aware of the exact situation because the minister or the department have not communicated the specific information in any public way. Certainly they have not done so

to the Vancouver fishermen's settlement service, which raised the matter in the first place. Therefore I would think there must be thousands of people in Canada who, on the basis of the erroneous method of calculation in the Farmers' and Fishermen's Guide for 1962, have paid countless dollars in taxes which they should not have paid because their returns were reassessed by the department.

I am sure if the farmers and fishermen of this country knew that the department or the minister had come to the conclusion that the reassessments made on the basis of the 1962 Farmers' and Fishermen's Guide were in fact in error they would like to have the opportunity to re-examine their position and to re-file in accordance with the revised interpretation contained in the 1963 edition, which was authorized as correct by the late minister, Mr. Garland, in February of this year in the letter he sent to me.

I only raise this matter in a public way to point out the situation and to ask the minister to see that the original notices of objection or letters from the Vancouver fishermen's settlement service are replied to; and perhaps to make a public declaration of what the fact is so that those farmers and fishermen who may have paid countless thousands of dollars in taxes which they should not have paid will have the opportunity to reassess their position and re-file their forms for that year. There has apparently been an error on the part of the Department of National Revenue, and the farmers and fishermen should have the opportunity to get back a few dollars for their own pockets.

Mr. McIlraith: Mr. Chairman, there are two questions raised here. One has to do with particular taxpayers. I have no knowledge whatever, of course, in that regard, and even if I did there might possibly be some impropriety on my part in mentioning it.

The second question is a general one arising from the particular cases to which reference has been made. I think the best answer I can give the hon. member is that I will have all aspects of the statement made today by the hon. member looked into to see exactly what should be done and what the situation is. That I will do right away.

Mr. Howard: Mr. Chairman, I should like to express my appreciation. I have known the minister for some time and when he says he will look into something I know he will. I am sure that the taxpayers concerned will be appreciative of his comment. When the minister completes his study of all the aspects and implications of this question, I wonder whether he would consider making a statement in the house as to his conclusions.

Mr. McIlraith: I am not sufficiently familiar with the subject matter to know whether it is one which could be dealt with by a statement on motions, but I will see that the information is made available by whatever the correct method may be.

[*Translation*]

Mr. Lessard (Lake St. John): Mr. Chairman, I should like to comment briefly on item 5e, inspection, investigation and audit service, under which we are asked to vote an additional amount of $90,000 to be added to estimates of $5,388,000 already voted for the year 1963-64. Besides, I note that for 1964-65, the same item involves an increase of $3 million.

Mr. Chairman, I wish to point out to the house that if we must vote more public funds to have field investigators harass Canadian taxpayers and priests in their own homes only to collect a few paltry dollars, we are making a very poor investment.

I say that following a personal experience, because last year, I had to appear in certain cases where charitable donations receipts were simply turned down. However, I won something because the investigators had refused to recognize the validity of the receipts without even taking the trouble of going to the priest's house or seeing the taxpayers concerned. They simply turned down the receipts without further ado.

Mr. Chairman, if the government intends to increase travelling expenses, investigation expenses and the number of investigators, briefly, if it is to pay salaries or provide some kind of featherbedding for people who may be friends of some hon. members, I think we are remiss if we vote this item. Today, we are asked to vote another $90,000. If a good part of this amount is meant for the salaries or the expenses of some civil servants who did not discharge their responsibilities, I think we should consider the matter seriously.

I would point out, incidentally, that the government did not include in the new budget it brought down the measures it proposes to take in order to settle this problem which is a sort of nightmare for Canadian taxpayers, when the time comes to prepare their income tax return.

[*Text*]

Item agreed to.

Taxation division—

20e. General administration, $70,000.

Mr. Thompson: I have two questions for the minister, one related to the item we have just passed and one related specifically to this item. One of the problems of the revenue department, which we all understand, is this question of making tax levies equitable. The dividing line is sometimes not

easy to determine. There are two industries in Canada that I believe are suffering from inequitable decisions by the taxation department.

The first is the soft drinks industry. I found it rather difficult to speak to the late minister on this subject because he was so honest in his own approach to it he found it difficult to take a position other than that which had been common practice, because his own business background related to this industry. We have across this country a number of small industries producing soft drinks. Their product is subject to sales tax. Their chief competition comes from soft drinks that are made in the home, the constituents of which are purchased in food stores. I am thinking of Kool Ade and a number of other products of that type which are not subject to tax.

The increased cost of sugar and the increased cost of operations have put many of these small soft drink companies in a financial position where they are likely to go out of business. There is a limit to which they can raise the price of the product and they find it impossible to carry on in a profitable way because they have to pay sales tax on their product, which is in direct competition with a product which is not subject to tax.

This brings me to the second point which I should like to bring to the attention of the minister. It relates to fresh fruit juices that are imported in concentrated form in bulk packages and then reconstituted and sold mostly through our dairies. In examining this question we find that the canned concentrated fruit juice sold in food stores is not subject to tax, and neither is the powdered concentrate. Of course, fresh fruits are not subject to tax. However, when this same concentrated fruit juice comes into the country in bulk containers and is reconstituted it is subject to excise tax. This seems to be an inequitable situation.

It has been brought to my attention that some United States firms have completed large contracts with some of our large food distributing stores, particularly of the supermarket type, under which these stores are importing tax free reconstituted juice from the United States in 32-ounce containers. When our Canadian dairies import the same constituted juice that these United States companies are using and reconstitute it themselves, it is subject to tax. I think this is something about which we ought to be very careful because unnecessarily it results in a tremendous drain on United States dollars. If we imported the concentrated juice and packaged it here using our own labour, we would not only save foreign exchange but we would also give work to a number of our people. I mention this because I believe the government should look at the matter closely.

I hope the government will try to make the situation more equitable so far as the soft drink industry is concerned and will also give consideration to the question of these imported concentrated fruit juices. I am sure any action would be not only helpful to those who are interested in seeing that a greater amount of fruit is included in our diets, but it would also be more equitable treatment to an important part of the business community of this country.

The Chairman: The hon. member for Ontario.

Mr. Starr: I will forgo my question.

The Chairman: Shall the vote carry?

Mr. Starr: No.

[*Translation*]

Mr. Marcoux: Mr. Chairman, as we are discussing the item concerning informative material, I would like to make a few remarks.

In a personal message from the late minister of national revenue of February 15, 1964, there were some indications as to the manner of preparing an income tax return. Having in mind the claims which are, from time to time, made by the taxpayers in Quebec in the hope that their existence will be recognized, I see that, in the last paragraph of the folder entitled "Do you need further information?", there is a list of district taxation offices. If we study the folder, we find that the province of Quebec has four such offices. Quebec city, Sherbrooke, Montreal and Rouyn.

On the other hand, the province of Ontario, with a population figure which is only one sixth larger than that of Quebec, has 11: Ottawa, Kingston, Belleville, Toronto, Hamilton, St. Catharines, Kitchener, London, Windsor, Sudbury and Fort William.

Those are names and also figures which are given to us directly by the Department of National Revenue, and if the Quebec people do not spend their time insisting and insisting again to get adequate representation, we arrive at conditions such as those described here, in the little bulletin of national revenue.

I believe in particular that the Saguenay-Lake St. John area, for instance, with a population of more than 300,000, might have a district income tax office. There are many other districts in the province of Quebec which might also justify an income tax office.

Mr. Chairman, I close my remarks by quoting the title of an editorial I read in *Le Banlieusard* of St. Foye, in my riding, and also in the *Editorial*, a newspaper of Beauport and

the Beaupre country, with respect to charity receipts. I will just quote the title which reads as follows:

When governments subsidize lies.

Mr. Chairman, I feel the problem is important. I do not wish to labour the point but I should like to call the attention of all Canadians, and of the government in particular, on the slightly unequal number of taxation offices in Quebec and in Ontario. In fact, I might also speak of the other provinces; for instance, in British Columbia, where the population is much smaller than that of Quebec, there are at least three district taxation offices. In Alberta, where the population is quite small, there are two such offices just as in Saskatchewan.

I feel such an inequality should be set right.

[*Text*]

Mr. Rynard: With respect to the question of concentrated orange juice, the acting minister probably does not know that this matter has been under study for some time. The hon. member for Simcoe North and I have had considerable correspondence on the subject, and it is under continuous survey.

Mr. Diefenbaker: The point raised by the hon. member for Red Deer with regard to the soft drinks situation deserves the most serious consideration by the government. He is to be commended for having brought it to the attention of the committee, so that an opportunity would be given to the government to look into this very important matter where each year soft drink manufacturers all across the country find themselves in an impossible situation.

However, I rise to deal with another matter which was raised during the question period yesterday. It concerns the distribution of application cards for social insurance numbers. Yesterday I asked for an unequivocal answer from the government that the information contained in these cards would not be made available to other departments of government, and I mentioned in particular the income tax department. I found it very difficult to get an answer.

I shall not read in full what was said, but as recorded at page 1918 of yesterday's *Hansard* the Minister of Labour replied:

I am not in a position to indicate at this stage what system of government record keeping will be involved in the future, but that is the present attitude of the government.

Mr. Diefenbaker: Oh; income tax, and so on?

Mr. Pearson: Certainly not.

Then after some other words I asked him:

—will he give the undertaking on behalf of the government that this information will not be made available to other departments of government?

This morning on the C.B.C., Mr. Blair Fraser, who speaks from time to time as a supporter of the government, unashamed and unchanging, chose the opportunity to make a personal attack on me. I am not going to answer that, except to say I seem to recall that throughout the years not only he, but also another parliamentary editor of *Maclean's* magazine, seemed to devote themselves unequivocally to the support of the Liberal party, whether right or wrong.

Indeed I recall back in 1957, at the time Mr. Fraser was connected with *Maclean's* magazine in a very intimate capacity, four or five days after the election an editorial appeared in that magazine applauding the return to office of the government of Mr. St. Laurent. That was one prophecy in which he and those associated with him were not right; and it was not the last.

I do not intend to go into the record today except to point out that the questions I asked were well founded. I asked whether this information would be made available to any other department, and I was unable to secure an answer. I now wish to draw the attention of the committee to the fact that as far back as August 21, 1963, a memorandum was sent out to all district officers of the administration branch of the Department of National Revenue, which in part read:

Although legislation concerning the proposed Canada pension plan cannot be considered until parliament reconvenes, this division—

—that is, the taxation division of the Department of National Revenue—

—which would perform an important administrative function in the implementation and continuing operation of the plan, is already involved in preliminary planning in the areas of coverage, enforcement and collection. In order that we may be ready to assume our full responsibility when legislation has been considered it is necessary that five positions at head office be filled immediately. These positions are one administrative officer 8 for the administrator (taxation), Canada pension plan and four administrative officer 6 for regional administrators (taxation), Canada pension plan.

I am informed that officials of the Department of National Revenue have sat in on the proceedings in connection with this pension plan, and it is a strange thing that these appointments should have been made before the legislation has even been considered by parliament. The internal competition was set up and appointments were made. I am not going to give the names of the officials who were appointed, but they are now in office working on numbering, payroll collection procedures, carrying out functions not as yet approved by parliament, and drawing salaries for performing that which has not been authorized.

I go no further at the moment than to say that in order to carry out payroll deduction procedures, collection, coverage and enforcement, these officials of the Department of National Revenue, taxation division, will have full access to all the data being compiled under this scheme. That is how serious the situation is, and no amount of trying to brush it aside can circumvent the fact that people are being asked to complete these forms and that the information contained in them will be available to these officials.

We are told Nelson put his telescope to his blind eye, but I am sure the Department of National Revenue, taxation division, having this information will find difficulty in emulating what Nelson achieved. That is why I brought this matter to the attention of the house yesterday.

Why is it necessary, before the pension scheme has received the authorization of parliament, to proceed in this way? Why should these forms be sent out to the province of Quebec, since notice has already been given that Quebec will not participate in the plan?

As the Prime Minister said today, he does not know what the attitude of Ontario will be. But the fact remains that until a decision in this regard is made, what is being done is improper. And everywhere across the country, no matter whether it is said in parliament that it is voluntary on the part of those who are now receiving or who may receive unemployment insurance, what is being done is most improper regimentation and should receive the strongest condemnation on the part of parliament.

I wanted to clear up the record in this regard. I again point out that the gratuitous efforts at personal attack on the part of Mr. Fraser, for which he is paid moneys supplied by parliament, are carrying political partisanship beyond what I think is proper and appropriate. While he is acting as editor of *Maclean's* magazine no one can take any umbrage, but when he chooses the C.B.C. for the purpose of attacking that which he does not understand, but which he must realize in his heart is a wrong understanding, then the reason for his attack becomes more definite and clear.

When I asked yesterday whether this information was going to be used, I had every reason to do so and Canadians have the right to a definite answer on the part of the government—not one of uncertainty, not one which does not clearly define the position in which the income tax branch will be, and the information which will be available to them.

Mr. McIlraith: The point raised by the hon. member for Quebec-Montmorency dealt, it seemed to me, with two matters. Part of his observations had to do with the substantive matter of taxation which, of course, is not germane to the estimates of the Department of National Revenue but is something more properly dealt with during the budget debate. The other part of the hon. member's remarks may relate solely to the administration, and in this regard I shall be glad to take particular account of what he had to say.

The Leader of the Opposition discussed at some length the political beliefs of the editor of *Maclean's* magazine—

Mr. Diefenbaker: That is not what I was dealing with.

Mr. McIlraith: —and the action of that magazine during the 1957-58 campaign. I remember one particular edition of that magazine very well and I can only say to the right hon. gentleman that I have some sympathy for his feelings in that respect. However, he should have been very much relieved by the extremely good results he had in the 1958 election—results which should have made him overlook such a bad—

Mr. Diefenbaker: Prophecy?

Mr. McIlraith: —such a bad prophecy on the part of the magazine. I might perhaps refresh the right hon. gentleman's memory by telling him that I had a somewhat similar experience in Ottawa on that occasion, when representatives of all the publicity media went to a certain very large room in a hall which had been rented—a substantial hall, by the way, with a capacity for holding many thousands of persons—and the hall was left vacant all the evening except for an attached room where a certain person was, with a very few personal supporters and a very large number of boxes of luncheon sandwiches which were put to uses other than those for which they were intended when they were ordered the day before.

An hon. Member: Did you take them over?

Mr. McIlraith: No. For some reason or other they did not send the sandwiches over to where they would have been used. The red-faced public media representatives did not ever catch up, as a matter of fact. It is rather interesting. The television recorded some aspects of that location. In any event, I will not digress further into what happened on that occasion. Possibly this is not the occasion on which to do so. But I wish to let the Leader of the Opposition know that these things do happen at certain times in the course of certain elections.

The point the right hon. gentleman made about the forms is, undoubtedly, an important one. As a matter of fact, I was following it

yesterday. Of course the Leader of the Opposition asked his question on the orders of the day, without notice, and it is the kind of question which should, perhaps, have been placed on the order paper so that a precise and carefully prepared answer might have been given. That accounts for part of the difficulty he has had.

But perhaps I should enter a caveat with regard to one other portion of the right hon. gentleman's remarks—the part having to do with personnel who prepare legislation for government action. As he well knows, in connection with a measure such as the Canada pension plan—and I do not wish to enter into a discussion of that subject—there are undoubtedly actuaries from various departments, such as the revenue department, lawyers from the Department of Justice, and others, who have spent a great deal of time on activities of this kind. Only minutes ago, dealing with the estimates of another department, the committee approved a fee for special counsel to assist in preparing certain complicated legislation. I am sure the house would be extremely critical of any government which chose to bring forward legislation of the magnitude and importance of the Canada pension plan, without having taken the appropriate preparatory steps so that the measure could reasonably be expected to go into operation if and when it received the approval of parliament. There is a very fine line to be drawn here.

The Leader of the Opposition has indicated that a government cannot spend any money before parliament has given its approval and, as a matter of principle, that is right. However, the government also has the responsibility of carrying out preparatory steps so that the measures submitted to parliament for approval may be properly drawn up, and, second, to place itself in a position where it is able to carry out the decision of parliament when a measure has been approved. It is in drawing the line that the difficulty arises.

Mr. Diefenbaker: I thank the minister, but of course his answer does not apply to the situation. These people were appointed as a result of notices sent out last August. The legislation has not been passed by parliament. They are carrying out their duties and receiving salaries on the basis of those duties, but the duties have not yet become applicable. They are not in the position of those who are called upon in various departments to give expert advice.

While the minister answered in a nice, general way, the question remains: As Acting Minister of National Revenue, can he tell us whether this information will in any way be used by the Department of National Revenue, taxation division, in the days ahead? I am looking for an answer on that point.

Mr. McIlraith: I do not think I am in a position to give a categorical answer to that question at the moment, but if the right hon. gentleman wants to leave the question with me I shall put it in a form to which a thorough answer can be given. It is an important question and I shall be glad to follow it up.

Mr. Thompson: I count it an honour to be associated with my good friend, colleague and seatmate the hon. member for Quebec-Montmorency, but for the sake of the record I would remind the minister that I come from another beautiful part of the country. I refer to the foothills and parkland area called Red Deer.

Item agreed to.

The Chairman: The Post Office Department.

Mr. Nielsen: Where did the Department of Northern Affairs and National Resources escape to?

The Chairman: It was my understanding that it was the desire of the government to go on to the Post Office Department, but do I understand now that they are willing to go on with the estimates of the Department of Northern Affairs and National Resources?

Mr. Diefenbaker: Is it northern affairs, Mr. Chairman?

The Chairman: Yes, northern affairs; vote No. 1e.

DEPARTMENT OF NORTHERN AFFAIRS AND NATIONAL RESOURCES

1e. Departmental administration—To extend the purposes of vote 1 of the main estimates, 1963-64, to authorize payment of a contribution to the Canadian council of resource ministers in an amount equal to one half the aggregate contribution of the provinces but not exceeding $32,000 and to provide a further amount of $53,000.

Mr. Diefenbaker: Mr. Chairman, this particular section dealing with departmental administration makes it possible to discuss and summarize in general the arguments that have been advanced on a number of occasions by hon. members on either side of the house with regard to the Eskimos in northern Quebec. I think the house owes a debt of gratitude to the hon. member for Northwest Territories who, knowing the conditions of the Eskimo to a degree that no other white man has ever known finds himself a representative of theirs in parliament, to the

hon. member for Yukon with his wide knowledge, as well as the hon. members for Pontiac-Temiscamingue and Peace River. The representations of these hon. members deserve the serious consideration of the minister and of parliament. Indeed, this is a matter so serious in its import that the Prime Minister himself should make clear the views of the government.

I am not entering into any difficulties as between the federal government and the provincial government of Quebec but I am joining with the hon. gentlemen who have spoken to express the strongest condemnation of the Department of Northern Affairs and National Resources, which in what it has done even to date shows a disregard for an aboriginal people that cannot be justified. Eskimos are not serfs; they are not political captives or pawns to be shoved about at the will or the whim of a government or governments. They are Canadians.

I read the other day with a great deal of interest the views expressed by the minister in an address at St. Catharines. That address was filled with the wisdom that comes from years of experience in public life. The heading is, "Laing says Canada is envy of world". The minister said in this speech:

> Canada is the envy of the world, a country everyone outside its boundaries thinks is a superb place and whose future only those inside our boundaries doubt.

He was speaking to the south Ontario Liberal association. Then he made some observations, when he got away from national issues, and said this:

> Our entire safety lies in a government of laws, and not men.

Never were truer words spoken by him. I am going to ask him to carry out the terms of the great principles that he enunciated. I will read what he said again:

> Our entire safety lies in a government of laws, and not men.

What have we here? Have we a government, in so far as the Eskimos are concerned, of laws, not men? Can these people, who are within the sole jurisdiction of the federal parliament, be transferred, bartered away, whatever the terms, to another legislative body? Where is the constitution of this country, if this can be done? Are they to be mandatorily, and without regard to their feelings, transported into another jurisdiction? What would happen if any group of Canadians that was exclusively under the jurisdiction of a province was transferred to another jurisdiction? Can it be done?

Well, Mr. Chairman, I have before me the only recent case dealing with the subject of the transfer of jurisdiction, administrative or otherwise. I shall refer to it after first referring to the case to which various hon. members have alluded. That is the case decided in 1939; it was a reference as to whether the term "Indians" in head 24 of section 91 of the British North America Act—

Mr. McIlraith: Mr. Chairman, would the right hon. Leader of the Opposition mind giving me the reference to the case again?

Mr. Diefenbaker: I am just coming to that. It was a reference as to whether the term "Indians" in head 24 of section 91 of the British North America Act, which gives exclusive jurisdiction to the federal government, includes Eskimo inhabitants of the province of Quebec. It is to be found in the Canada Supreme Court Reports, 1939, at page 104 and following. This is a very interesting situation. In 1939 the province of Quebec contended that it was not right or legal or constitutional for the government of Canada to give the government of Quebec the responsibility to look after the Eskimos in that province. They claimed that this responsibility could not be placed on their shoulders. The government of Canada argued that an Eskimo was not an Indian and that therefore the exclusive jurisdiction over Indians did not apply to Eskimos.

I am not going to read from the case, except to point out that it is a most interesting one. One goes back as far as 1763, and on the 8th day of June of that year a discussion took place concerning the trade carried on by the French on the coast of Labrador. With regard to that discussion it is reported that they carried on "an extensive trade with the Eskimo Indians in oil, furs, etc. (in which they allowed Your Majesty's subjects no share)". Then later on Sir Hugh Palliser referred to the Eskimos as Indians. On April 10, 1772, Governor Shuldham referred to them as the Eskimo Indians. And so on throughout the years.

The Hudson's Bay Company made a full investigation regarding the peoples under their jurisdiction and came to the conclusion that the proper description of the Eskimo was within the classification of "Indian". Finally in 1879 correspondence passed between Sir John A. Macdonald and Sir Hector Langevin on the subject of the Eskimo on the north shore of the St. Lawrence, and throughout the correspondence "Eskimo Indians" is employed as a description, as it had been employed for 100 years in official and other documents.

The interesting situation was this. The province of Quebec said, "The Eskimos belong to you". The government of Canada of that day said, "No, the Eskimos do not belong to us and we are not responsible for them". They fought the case, and the Supreme Court of Canada held that Eskimos came within the

descriptive word "Indians". So the government, the parliament of Canada, has exclusive jurisdiction; and in these days of constitutional discussion the government of Canada is the first in this regard to brush aside the constitution, to deny their exclusive jurisdiction and, under the guise of pretending that what they are doing is entering into an agreement, they would turn over the administration to a jurisdiction that has no right to exercise any power over these people, beyond the usual powers that a province has over subjects or people within its boundaries.

In order to do this the minister says, "We can enter into an agreement with the province". I am most anxious to hear the opinion of the law officers of the crown in this connection. I say that no reading of the judgment in the case of the attorney general of Nova Scotia and the attorney general of Canada reported in 1951 Canada Supreme Court Reports, page 31, can lead one to believe that the parliament of Canada or the government of Canada can by a simple agreement get rid of, transfer, assign or sublet any of its exclusive jurisdiction. While I do not usually read the headnote alone, I am going to do so on this occasion, Mr. Chairman. Every lawyer knows that it is always most important to read all the case rather than just the headnote, but the headnote does epitomize the decision of the Supreme Court of Canada. It reads:

> The parliament of Canada and each provincial legislature is a sovereign body within its sphere, possessed of exclusive jurisdiction to legislate with regard to the subject matters assigned to it under section 91 or section 92, as the case may be.

This is the important thing. The province of Nova Scotia thought it could transfer some jurisdiction to the federal parliament:

> Neither is capable therefore of delegating to the other the powers with which it has been vested nor of receiving from the other the powers with which the other has been vested.

There is just no question about this. All the evasive uncertainty that has been displayed in this matter does not take cognizance of the fact that the parliament of Canada or the government of Canada cannot deal with fellow Canadians in a cavalier, unjust manner without regard to their views. There has been a suggestion here that a referendum might take place on the basis of the 1951 case. No matter what the referendum might declare, this act could not be justified, under the authority to which I have referred. I cannot understand this. These are aboriginal people in a country which has undertaken not only the responsibilities inherent in the bill of rights but is a member of the United Nations, and Canada intends by this action to breach the greatest principle of all.

I have listened to the argument in this connection, and the more I look at the minister of northern affairs the more I am convinced that he is convinced he has a most unsalutary job on his hands, that of trying to explain why this action is justified. As a matter of fact, in light of principles such as he enunciated in that speech, embodying as they do his views throughout his life as I have known it for many years, in his own heart he cannot justify this. I raise it to a level higher than an emotional one; I raise it to the constitutional level. The government cannot do this; they dare not do this. They cannot take people like this and shove them around as pawns in order to meet the needs of the moment.

I go further than that. Even if they agreed to this it would not be within the constitutional limitations defined bv the 1951 case. It would be a case of self-determination. I have heard the Secretary of State for External Affairs speaking of self-determination somewhere else in the world. What about trying it in Canada? In this case, even though the government determine upon this course the constitution will not allow it, if I read the case in 1951 aright, and there has been no challenge that I am reading it wrongly.

Now, Mr. Chairman, why is this the case? I presume it is because the government felt these people would be voiceless serfs. In other words, they would have no one to speak for them. But they have in the person of the hon. member for Northwest Territories and other members. The minister has not denied something he was asked the other day. He was asked whether or not, when he saw the Eskimos, he did not find them opposed to this action. He did not deny that, and the interpretation of his failure to deny it becomes very clear.

I am not resting the case of these people on the basis of any arguments as between the government of Canada and the desires of any province. I am resting it on the constitutional right of these people to have their rights respected by parliament. How are we going to justify this? Today we hear more and more, and in stronger terms than ever before, that the constitution must be maintained. Yet at the very time this is going on these poor people on the shores of the Arctic are being told that the constitution belongs to others but not to them. That is in effect what they are being told, and the government cannot justify this. Strong arguments on the law have been made by the hon. member for Pontiac-Temiscamingue. He pointed out the circumstances and he pointed out the law.

We cannot get any information. I am going to ask, Mr. Chairman, a few questions and we will want answers to these questions before this item dealing with these poor untutored fellow Canadians passes. Are negotiations now going on between the federal government and the government of Quebec in connection with the financial arrangements? Has the federal government offered to pay 50 per cent of the cost of the administration? Does the government of Quebec ask for 100 per cent of those costs? Do the prospective arrangements call for transferral of federal property, including hospitals, schools and administrative buildings, and on what terms? These are questions to which we have the right to answers. The government are talking of the constitution as though it belonged to us, the white race. This is a constitution which belongs to all Canadians without regard to race. I make this appeal to the government: Do not think that because they are few in number their votes do not count. Do not treat them as chattels to be pushed around, their constitutional rights denied.

That is the appeal we make, far and above the things that separate as between the federal government and any of the provinces. That is what is at stake here in trying to get information from the government. They say that parliament is being held up. Last evening the Prime Minister spoke of obstruction. I could read some of his statements on the subject of obstruction through the years when he was in opposition. It is not obstruction to stand for the rights of the people in the House of Commons. We are not going to be placed in the position of having the government, hiding behind a smokescreen of obstruction, at the same time, while hiding behind it surreptitiously and clandestinely take away the rights of these people. We are not going to have that. We are going to have this matter cleared up and the Minister of Justice is the one who can do it.

I am going to refer to an article in *L'Action* by Mr. Poliquin on February 21 last. He referred to the Minister of Northern Affairs and National Resources and the minister of natural resources for Quebec having a five hour meeting the day before. On the question of consultation Mr. Poliquin, who was present, reports Mr. Levesque as having said:

> If our Eskimos are advised previously of any decision and given detailed explanation, we are in accord.

That is the attitude of the minister of natural resources, Mr. Levesque.

> But if you consider their lack of information, their complete dependence on federal civil servants, and if consulting them seems a sort of referendum, then this should not be done, for it would be inapplicable and artificial.

[Mr. Diefenbaker.]

No matter whether there was such consultation it would still remain a travesty on the constitution. Mr. Levesque went on to say:

> On the other hand, we are quite sure that in accepting the principle of the transfer the federal authorities have no intention of ruining it by such procedures.

That means that those on the government benches have agreed to this and they must place the facts before us no longer wrapped in an enigma of uncertainty. We want to know what the facts are. We want to know whether these aboriginal people are to be treated as persons, as people—

An hon. Member: As Canadians.

Mr. Diefenbaker: —or are they simply to be in the position of inanimate things, of chattels, who are to have their course determined by the will of the master? That is the issue here, the constitution of Canada; and the constitution must be upheld. It is not to be deviated from, it is not to be circumvented by the political exigencies of the moment. What did the Minister of Justice say on this occasion? Mr. Poliquin goes on to say in his report:

> One can hardly call it a love scene. In this atmosphere the...conference opened in the west block. They took turns provoking each other. About 6.30 p.m. Levesque had had enough. He prepared to leave. He was fed up with the stubbornness of Mr. Laing.

Then the Minister of Justice came into the picture.

> Mr. Guy Favreau at this point intervened with: "We agree judicially, administratively and financially. Why burn the bridge between us?"

Some hon. Members: Oh, oh.

Mr. Diefenbaker: That is what Mr. Poliquin reported and he was there. I was not. The two ministers were. They will be able to give their revised version of this event. Then the article goes on to say:

> Discussion went on for 90 minutes. Nothing was decided.

Then it says that Mr. Levesque was "bombarded" by the press. That is a good expression. Mr. Levesque is reported as having said:

> I abhor a pseudo-democratic consultation, which would give the Eskimos the right of veto on this transfer, and which would be a farce.

I say, and I am not in full agreement with my colleagues in this regard, that I do not think consultation in any way meets the situation, but certainly consultation would have been at least a step forward. But they are not to receive that. They are to be told: You are Eskimos; you have no rights under the constitution.

Sir, we are going to find out about this. I am not entering into a discussion as to the matters that may be in issue between the

federal and provincial government. I am putting this to the Minister of Justice directly. I do not know whether he was one of distinguished counsel on that case in 1951. No, he was not on that one, but he was one of the law officers and I am asking him to interpret that case. I know I must not ask the Minister of Justice to give his opinion of the law, but it would be interesting, though, if he should try to say that that case does not deny the very thing that is being done here.

Mr. Starr: He has made a facial expression but you cannot tell whether it is yes or no.

Mr. Diefenbaker: If the Minister of Justice will not give an opinion then I ask any of the legal members of the house to read the case. It does not require much interpretation to understand these words, and I repeat them:

> The parliament of Canada and each provincial legislature is a sovereign body...Neither is capable therefore of delegating to the other the powers—

And so on. Of course, in order to explain this away they will say that they are not delegating power over the Eskimos; they are just delegating the right to exercise the power of administration over them. What else is left? No more important matter will come before this parliament than the welfare of 2,500 Eskimos. How can the government deal with them in this way and then go to the United Nations and say that Canada stands against discrimination? To treat these people in this way is the crassest demonstration of discrimination in that it denies that the constitution of Canada, which is my birthright and the birthright of all Canadians, applies to Eskimos. That is my argument.

The Deputy Chairman: Order. It being five o'clock and so that the house may proceed to the consideration of private members' business pursuant to section 3 of standing order 15, it is now my duty to leave the chair.

Progress reported.

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

Mr. Favreau: Mr. Speaker, may I ask whether the house would not agree unanimously to carrying on with the business of the government and waiving the private members' hour for today? The house seems to be in a wonderful mood to proceed with the estimates and this would certainly allow us to do so.

Mr. Diefenbaker: We agree.

Mr. Starr: In view of the very important matter now being discussed and in view of the fact that it is imperative that the government should make a clear and concise statement on the matter, we fully agree that we should carry on.

Mr. Knowles: Agreed, Mr. Speaker.

[*Translation*]

Mr. Gregoire: That is agreeable to us, Mr. Speaker.

Mr. Marcoux: That suits us also, Mr. Speaker, on condition that irrelevant speeches will not be made.

[*Text*]

The Acting Speaker (Mr. Batten): Does the house give unanimous consent to suspending the hour and carrying on with the discussion of the estimates?

Some hon. Members: Agreed.

SUPPLY

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

DEPARTMENT OF NORTHERN AFFAIRS AND NATIONAL RESOURCES

1e. Departmental administration—to extend the purposes of vote 1 of the main estimates, 1963-64, to authorize payment of a contribution to the Canadian council of resource ministers in an amount equal to one half the aggregate contribution of the provinces but not exceeding $32,000 and to provide a further amount of, $53,000.

Mr. Francis: As a relative newcomer to this house I have heard some moving and dramatic speeches. Seldom, however, have I heard a more moving and dramatic one than the one made by the Leader of the Opposition. He has gone through the history of this issue and put the constitutional position in very clear terms. He has said that the constitutional position and the decisions of the highest authorities must be respected. He has given us a very dramatic and moving demonstration of the need to respect human rights, pointing out that the Eskimos involved in the administration of northern affairs are not mere pawns.

In the short time I have been in this house, Mr. Chairman, I have observed a few things. I observe that today the hon. member for Joliette-L'Assomption-Montcalm is not here when his leader speaks in this house on this matter. I have heard the hon. member for Joliette-L'Assomption-Montcalm persistently accuse this government and press this government as to why it was not going to proceed with this measure, which the leader of his party has said would be such a wrong thing to do. The Conservative party in this house speaks with two voices. If parliament comes into disrespect it is because of a lack of sincerity. I have seldom witnessed

a greater exercise in sanctimonious hypocrisy than that put on by the Leader of the Opposition.

The Deputy Chairman: Order.

An hon. Member: What right have you to talk?

Mr. Monteith: Sit down.

Mr. Francis: It is the purpose, Mr. Chairman—

The Deputy Chairman: Order; I think it would be better if the hon. member for Carleton—

Mr. Starr: You are not contributing anything to this.

The Deputy Chairman: I think it might be better if the hon. member for Carleton were to adhere to the vote before us.

Mr. Francis: I have listened to—

Mr. Moreau: Mr. Chairman, the Leader of the Opposition has been speaking on this very point. He has opened the door to the discussion.

Mr. Diefenbaker: I have been charged with hypocrisy, and the hon. gentleman can make that statement because I throw it back in his teeth. I spoke about unconstitutionality; that is what I spoke about.

Mr. Francis: I have sat here often and heard the encouragement of the questioning by the hon. member for Joliette-L'Assomption-Montcalm in an effort to embarrass this government when it was taking a very carefully considered position on this matter. I am proud of the position the minister of northern affairs has taken. It is fortunate that he is most reasonable. He is also, Mr. Chairman, as cognizant of human rights as any hon. member of this house.

Surely it ill-behooves the opposition in this house to speak, as I have heard them on other matters, with two voices. One voice attacks the government because it does not follow an aggressive ultranationalist policy which would do a great deal of harm to this country. The other voice is the more sensible voice of conscience, which says there are human rights, that there is a constitutional position. I am glad to hear the constitutional position so well put forward. This kind of thing, in my opinion, does not do credit to this house when two voices come forward on a matter as important as this. The position of the government, a position which I am able to support, is one of careful consideration of all aspects of the problem and full consideration of provincial and federal rights. Certainly, to my knowledge, no action has been taken which is inconsistent with that.

An hon. Member: Bring on another seal.

[*Translation*]

Mr. Favreau: Mr. Chairman, this is a very delicate matter which everybody should discuss with the utmost coolness and moderation since human beings are involved.

Thus, I am not blaming the hon. member who has spoken before me for having become a bit irritated because in certain quarters, an attempt was made to make political capital of negotiations between Quebec and Ottawa with respect to the Eskimos.

When I first came to this house, directly from the bar, I never would have believed that this matter would be examined without at least finding out all the facts, the policy of the government and its position from a legal point of view.

I say that the hon. member for Yukon (Mr. Nielsen), who is perhaps the one who most bitterly criticized the attitude of the government in the house, has always intimated something which is false both in fact and in law. He was scandalized and he took for granted that the government intends to proceed with a jurisdictional transfer of Eskimo affairs. On the basis of this false premise, he accused the government of not being concerned about the rights of the Eskimos and of just simply signing an agreement to rid government of its jurisdiction.

I say that such statements are a hateful betrayal of the truth, of the facts and of the law.

It is true, Mr. Chairman, that under section 91 of the B.N.A. Act, the legislative jurisdiction concerning the Indians rests with the federal government. It is also true that in 1939, where the matter was referred to the supreme court, neither the Quebec government nor the Ottawa government wanted to look after the Eskimos. It is also true that the supreme court, at that time, stated that for the purpose of section 91 the Eskimo people were Indians. Therefore, the related jurisdiction, in the legislative view point in particular, rested with the federal government, and more precisely with the parliament of Canada.

What is not true is, first of all, that the present government tried or is trying to make a transfer of jurisdiction. Neither is it true that we are trying to lay down conditions for the administration of Eskimo affairs in the far north and that the government would forget or rather would bypass those human beings, those Canadians, because the Eskimos are Canadians.

There was no treason, no attempt to get rid of that jurisdiction. The Leader of the Opposition (Mr. Diefenbaker) referred to a decision of the supreme court to the effect that delegation of powers between federal

and provincial authorities—delegation or exchange of powers, as defined or described in sections 91 and 92 of the British North America Act—was illegal.

It is true that it was stated, in that case, that the two governments are sovereign in their respective fields and that, under the constitution, a provincial government cannot delegate its powers to the federal government in a field that is subject to legislative jurisdiction under section 92, just like the federal government cannot delegate its powers to the provincial government in a field which comes under its own jurisdiction according to section 91.

Therefore, this prohibits such agreements, such contracts, under which constitutional powers would be exchanged without being authorized by an amendment of the Canadian constitution.

But what happens in the same case? It has been decided that nothing prevents the federal government, in the exercise of its own jurisdiction, from selecting a body of the provincial government as its representative, its agent to exercise, in accordance with conditions laid down by the federal government, a federal jurisdiction; and the fact that this agent acts on behalf of the federal government is not unlawful, but on the contrary it is completely in accordance with the constitution.

Conversely, it is clear that the provincial government which is entrusted with the administration of certain civic rights may delegate, when necessary, to the federal government or to an agent or a department of the federal government, the power to act as its representative for the purposes of exercising its jurisdiction. It is simply a delegation of powers and a mandate is merely being conferred, on behalf of the provincial government, to the main agent. It is quite clear and simple and there is nothing more to it.

What, then, is the matter involved here? It is merely for the moment a draft agreement under which the Quebec government would agree to look after the administration of Eskimo affairs in the far north, on behalf of the federal government.

The federal government maintains its jurisdiction to such an extent, gives up so little of its authority and is so anxious to carry out its responsibilities, of which it is aware, that this administration by the Quebec government will only be conducted, as specified moreover, in the draft agreement, under conditions laid down by the federal government. Therefore, it is in the exercise of its jurisdiction and in order to discharge responsibilities towards the Eskimos that the federal government imposes conditions on the province of Quebec in that administration, and the federal government will be satisfied only when the provincial government accepts them.

Mr. Martineau: Mr. Chairman, may I ask a question?

Has the government of the province of Quebec accepted to have conditions thus imposed by the federal government?

Mr. Favreau: That is my understanding under the preliminary agreement which has already been mentioned by the Minister of Northern Affairs and National Resources (Mr. Laing), myself or our government as well as by the representatives of Quebec.

One only has to read the statement made in this house by the Minister of Northern Affairs and National Resources to understand. It laid down the policy to be followed. We will be satisfied only when there has been sufficient consultation with the Eskimos and only at that moment, any agreement will simply be within a definite framework established by the federal government, and the province will take over administration of a sector, that of the Eskimo affairs, in cases limited to northern Quebec.

That is nothing new. That policy is already accepted by this government and was applied in the past in a very useful and efficient way by the government which preceded us under the direction of the leader of today's official opposition.

I have in mind, for instance, an agreement concerning Indians under which the federal government transferred to some provinces the field of education of Indian children—

[*Text*]

Mr. Diefenbaker: No application at all.

[*Translation*]

Mr. Favreau: —or when the Indian community development was entrusted to provincial governments. Those are useful agreements, but they are agreements under which the provincial governments involved purely and simply become mandatories of the federal government to administer a sector or a part of Indian affairs. They do not do this on their own authority, but rather under the authority of the federal government.

[*Text*]

Mr. Baldwin: With respect, would the minister permit a question which is very pertinent to this point. Is it not a fact that any agreements that are in effect between the federal government and the provincial governments are only because of legislation, section 113 of the Indian Act, by which parliament gave to the government the right to negotiate agreements in accordance with the Indian Act? The point I make is that the

federal government negotiated those agreements only because parliament authorized it to do so.

[*Translation*]

Mr. Favreau: Such agreements are made within the administrative authority of the federal government and that was dealt with by the supreme court in 1939, when both governments were refusing to look after the Eskimos—

[*Text*]

Mr. Nielsen: On a point of order, Mr. Chairman, something obviously happened in the translation booth and we did not get the English translation of the words following the question put by the hon. member for Peace River. Would the minister mind going over them again?

Mr. Favreau: I listen so infrequently to my own words—I hope that will not be considered as a defect or a fault—that I do not always remember the exact words, but only the ideas I try to convey.

[*Translation*]

Mr. Chairman, I was saying that the agreements which were and continue to be made in regard to Indian affairs are made in the framework of the exercise, by the federal government, of its administrative jurisdiction in the field of Indian affairs.

But to dispel the concern my learned friend showed a while ago, I would add this: If at present the federal government administers Eskimo affairs, it is because the supreme court, by a decision rendered in 1939, allocated this responsibility to the federal government.

And in the same way that no one can question our right to deal with Eskimo affairs through agents, representatives, intermediaries—because of course it is not the government who must go in northern Canada to look after Eskimo affairs, it may be civil servants, agents or representatives—I do not see why, as long as the decision quoted by the Leader of the Opposition is not against that and that there is no transfer of jurisdiction, we could not use, in the same way, a provincial government to manage Eskimo affairs, within the limits of specific territories, and this according to the standards and—I repeat—conditions that will be prescribed by the federal government.

Mr. Martineau: Mr. Chairman, may I direct a question to the minister? Since the administrative fields which are to be transferred deal with education, health services, and so on, am I to understand that the minister, when he says that those fields—and I refer especially to education—will be managed by the provincial government, but on the terms prescribed by the federal government? In other words, will the federal government, in the education field, dictate to the provincial government how to discharge its responsibilities?

Mr. Favreau: Mr. Chairman, as regards education, my learned friend may be assured that the fundamental rights of the Eskimos will be respected. That is, indeed, the first condition we laid down.

Mr. Lambert: Answer the question.

Mr. Favreau: Mr. Chairman, some apprehension was voiced with regard to the religious angle. Now, that has always been the first care, not only of those who represented the federal government, but also of the representatives of Quebec, who agree that the respective faiths of all Eskimos concerned would be respected and that there would be no infringement of their freedom of religion.

Besides, those who know Quebec are aware that in this province educational and religious matters are essentially linked, and there is no question about it, to our mind, because we would not have it any other way.

As to the children's education, the Eskimo parents' wishes will be regarded, and the same principle will apply in respect of their faith. In short, they will be treated in the same way as the Indian parents and children.

And if hon. members still have any doubt or worry concerning the contents of any possible agreement, which would only be signed after consulting the Eskimos, it will be my learned and hon. friend the Minister of Northern Affairs and National Resources, who will deal with it.

Should there be any apprehension with regard to the substance of a possible agreement I am authorized to say that it is the wish of the government to give the house the assurance that the text of any such agreement concerning Eskimo administration in the far north of Quebec will not be implemented until it has been tabled in the house, and time and opportunity has been afforded to any hon. member to test the confidence of the house in the government, if any hon. member wishes to do so.

[*Text*]

Mr. Lambert: There are two or three points I should like to make in connection with the minister's declaration. But first I should like to refer to the intervention made by the hon. member for Carleton who felt he should introduce some colour into the debate this afternoon by drawing attention in some fashion or other to the absence from the chamber of the hon. member for Joliette-L'Assomption-Montcalm. I should like to say

to the hon. member for Carleton that my hon. friend told me yesterday he had a speaking engagement outside this city today. In accordance with that engagement he left this building much earlier this afternoon. Therefore any conclusion the hon. member may have wished to make, whether of a colourful nature or not, is at once odious and entirely untrue. My hon. friend is as legitimately absent this afternoon as the hon. member for Carleton often is. So let there be an end to that canard.

As to what was said by the minister, we should appreciate clarification of certain points. When the hon. gentleman indicated that the conditions of the administration would be imposed by the federal government —that the provincial government would merely be the agent of the federal government—did he mean the preliminary agreement envisaged that there would be no discretion on the part of the agent as to determination of policy? Is this a general mandate? Who is to furnish the funds, and will there be an accounting of the funds used in the discharge of this administration? Who will determine the norms for education? Will the Eskimo children in this part of Canada receive the same level of facilities, technical or otherwise, as are being provided for instance at Inuvik, or will there be one policy for Eskimo children in the northern part of Quebec and another policy for those who live elsewhere? We want to be given answers to these questions.

The minister, in his eloquence, was skilful in sliding around the questions put to him by my hon. friend from Pontiac-Temiscamingue. He said the rights of the Eskimos will be respected and that the desires of the Eskimo parents will be respected. But he said nothing about the policy and the administrative conditions to be followed and imposed by the federal government. These are questions which demand an answer.

Mr. Favreau: I had proposed to deal today mainly with the matter of the constitutional position of the government in relation to the entente or agreement contemplated. The hon. member may be sure that his questions will be answered and dealt with by my colleague the minister of northern affairs whose estimates we are now discussing—I should have said "supplementary estimates" but such is the length of the discussion that I always think we are really discussing the main estimates. Those questions which the hon. member raised will be dealt with by the minister responsible for the particular department concerned.

[*Translation*]

Mr. Lambert: Mr. Chairman, I do not believe the minister can resort to such excuses, since he tried to justify the government's position and he indicated the federal government had an absolute right to send an agent or an administrative officer. It is precisely on this point I am asking what will be the rights and powers of this agent, for an agent cannot have more powers than the principal.

This is why I am asking whether this agreement, or this preliminary agreement, provides administrative or political independence for the agent. Otherwise, there will be no principal and agent basis, but an agreement whereby the federal government will delegate the entire administration to the province. This is why I insist on these particulars; if not, the principle advocated by the minister, who, in his argument, holds—I do not mean that he is trying to deceive the house—that he could elude the judgment quoted by the Leader of the Opposition will go by the board.

[*Text*]

Mr. Nielsen: Mr. Chairman, I wish to say a word or two with respect to what the minister has said and particularly in regard to what he has not said. We have had no explanation from him as yet, nor have we had it from the Minister of Northern Affairs and National Resources, with respect to what the government's intentions are in regard to the Eskimos of new Quebec. We still have not received any answers and the arguments that were presented by the right hon. Leader of the Opposition have not been answered. The minister has thrown up a smokescreen in an endeavour to say that because Indian people have been treated in a certain respect with regard to educational matters and health and welfare, Eskimo people can be treated the same way. The minister nods his head in the affirmative, but I am sure he must realize that the Eskimo people cannot be treated, constitutionally, in the same fashion as the Indian people, because there is a specific exclusion with regard to these people in the Indian Act. If he will read section 113—and I am sure he must have done so when he was minister of citizenship and immigration—he will see that specific exclusion. My colleague from Peace River points out that section 4 also has applicability.

The minister is saying that because the government has been in the habit of dealing with educational, jurisdictional transfers with regard to Indian people, he can do the same thing with regard to Eskimo people. This is false and wrong. While section 113 of the Indian Act, an act passed by this parliament, authorizes this specifically, it specifically excludes Eskimo people. I will read, for the

benefit of the minister and the committee, section 4 of the Indian Act, which sets forth the following:

> This act does not apply to the race of aborigines commonly referred to as Eskimos.

How, therefore, can the minister justify his so-called argument in reply to the constitutional points made by the Leader of the Opposition and by the hon. member for Peace River by saying, "Because we have done it with the Indian people, we can do it now with the Eskimos"? Quite the contrary is the case. The parliament of Canada has authorized jurisdiction with regard to educational matters to be delegated to the provinces, if you will, but it has specifically excluded that power with respect to Eskimos. So there is still a good deal to be answered by the minister. The minister, as the person responsible for safeguarding the constitutional rights of these people, is called upon to answer specifically why he considers the government is justified in transferring any jurisdiction whatsoever in regard to the Eskimo people, wherever they are situated in Canada, whether it is the province of Quebec, the province of Manitoba, or indeed in any other location in Canada.

I can tell the minister this, which the hon. member for Northwest Territories has already told him and members of this house on a previous occasion. The Eskimo people do not regard as their home any particular province, neither the province of Quebec, nor Manitoba nor Newfoundland. They regard as their home the north. The Minister of Northern Affairs and National Resources, while he was asked the question on occasion after occasion, has yet not risen to confirm the assurances that he gave to those people in Fort Chimo when he visited them, namely the assurance to the Eskimos in that region who did not want any transfer of jurisdiction—

Mr. Laing: Mr. Chairman, would the hon. member permit a question? Where is the word "assurance" involved in the statement I made? What assurance did I make when I visited them?

Mr. Nielsen: Let me read it to the minister; his memory has obviously failed him for a moment. I have in my hand *Hansard* for December 16 last year, when he said, as reported on page 5976, when making a statement on his estimates:

> I found that the Eskimos made the following demands upon me, that no change from the federal administration to provincial control be made without further consulting them. I found that their opinions were so definite that I told them we would not make a change without discussing the situation further with them...They did not want a change made.

[Mr. Nielsen.]

I took it from that and from the quotations which have been made of the minister's remarks in the press across this country, that this amounted to an assurance to those people that no change would be made unless they were consulted at every stage as to the government's intentions. They have been bandying this word "consultation" about and we are now in a complete maze, because what the Minister of Northern Affairs and National Resources means by "consultation" is quite obviously different from what the Minister of Justice means by "consultation", which again is different from what the Prime Minister means by that word; and it certainly is widely different from the views obviously held by the minister of resources for Quebec, Mr. Levesque. He said, as late as yesterday, as reported in the Winnipeg *Tribune* that jurisdiction over the Eskimos in Quebec had gone to the federal government in 1939 by a court decision, because there was an international scandal over mistreatment of Canadian Eskimos, and Quebec at the time was not interested in doing anything about it. In the same article the press quotes him as giving a flat refusal to the request for a referendum on the takeover, and he also said there had been a rampant campaign by people tied to the federal government against this little provincial government which is supposed to be coming in to deprive the Eskimos of everything else. Then further he said that they would never accept a referendum to help a bunch of hypocrites to get the answer they want, but that he will go into consultation about anything else.

Mr. Favreau: Would the hon. member permit a question. Was the hon. member in the house when the minister of northern affairs reported on the terms of the free understanding between Quebec and Ottawa, in which he recited the definition of consultation, that there could be no other definition than this one?

Mr. Nielsen: I certainly was in the house on that day. If the date has escaped the minister it was March 4, and I was shocked to read what the minister had placed on the record. I am sure that is not what the minister wants, nor is it what his departmental officials want. Because what he read into the record on that day was this, that the extent of the consultation will be that the terms and provisions of a *fait accompli*, of an agreement which had been executed between the two governments would be explained—explained, mind you—to the Eskimo people. That is what the minister said, and if that is consultation, I fail to appreciate how the rights of these people are

being protected. I fail to see how that statement of March 4 can be reconciled with what the minister said on December 16.

Mr. Favreau: For the purpose of the record, will the hon. member agree that when he stated a few minutes ago what the minister of northern affairs is alleged by him to have said, he was not reading from any text but was quoting extemporaneously?

Mr. Nielsen: I have *Hansard* for March 4 in front of me, and for the purpose of accuracy I would point out the minister said this, as reported on page 506:

> The consultation, that is the communication of the terms of the agreement, excluding however the financial provisions thereof, and the receiving of the views and comments of the Eskimos concerned, will be made through a commission, consisting of one or more members appointed jointly by the federal and provincial governments. The functions of this commission will be to explain the conditions of the agreement, as well as the programs for the future, in terms clear to the Eskimos and to interpret and report to the two governments on the views and comments which will have been expressed to the commission.

Mr. Favreau: Is that not consultation?

Mr. Nielsen: If that is the extent of the consultation, then I am afraid this government is sadly lacking—

Mr. Laing: Read on.

Mr. Nielsen: Well, there is no point in my reading the whole thing because the minister himself put it on the record. However, I will read the last paragraph of the minister's statement, which will not take up too much time of the committee.

> Both governments agree that such consultation is a prior condition to the execution of the agreement. After the commission has reported, the two governments must also agree upon what modifications and recommendations suggested in the report should be accepted and included in the final text of the instrument of transfer.

When the minister put this statement on the record on March 4 he said no agreement had been reached. There was not even an agreement to agree; it was a consensus. Now we find the Minister of Justice referring today to a draft agreement, a draft agreement that I suggest—he can correct me if I am wrong—has already been prepared in the absence of the constitution of the commission to which the minister referred on March 4. So that there already exists a draft agreement—

Mr. Favreau: On a question of privilege, I never referred to a draft agreement. What I said, and I have my words as translated from the French, was that the government wished to give an assurance that any agreement which may be made with the government of Quebec for the administration of the Eskimos will not be implemented until it has been tabled in the house, and time and opportunity has been afforded to any hon. member to test the confidence of the house and the government, if any member should be disposed to do so. That is what I said.

Mr. Nielsen: The Minister of Justice cannot wriggle out of the words he used before he started reading from the text because as *Hansard* will show, he definitely referred to a draft agreement before he started reading from any text. If I am not correct, let the Minister of Justice now stand in his place and tell the members of this committee that there is in existence no draft agreement between the two governments. I challenge him to do that.

Mr. Laing: Mr. Chairman, I think the Minister of Justice has no reason to have any such knowledge of this matter at all; but I do, and I categorically deny that there is any draft agreement whatsoever existing at the present time.

Mr. Nielsen: This is fine, Mr. Chairman. We have been attempting for weeks and weeks and weeks to get answers similar to that which the minister has just given, and now we are getting them. If anyone wonders why we take time on these supplementary estimates surely the actions of the government are full explanation. The Minister of Justice would not rise in his place and give us that assurance, but the minister of northern affairs had the courage to do so.

I presume the Minister of Justice intends to follow the procedure set forth by the minister of northern affairs so far as the so-called consultation with the Eskimos is concerned. He is so generous as to assure the members of this committee that the government will show us the agreement. He will table it in the house so that we can have a look at it—not so that we can exercise our constitutional right as the parliament of Canada to ratify any such agreement; not so that we can—

Mr. Favreau: Again on a question of privilege, Mr. Chairman, what was said was that the agreement, if and when it is made, will not be implemented before any member of this house could test the confidence of the government as to its terms and implementation.

Mr. Nielsen: Again, Mr. Chairman, try as the minister might he cannot evade the words already in *Hansard* and which I copied down myself. He said that the text of the agreement would be, and here I quote him, "tabled to check the confidence of the house in the government".

Mr. Favreau: To test it.

Mr. Nielsen: This will be after the agreement has been executed, after the Eskimo people have been bypassed, after parliament has been bypassed and after the constitution of this country has been completely disregarded by the government. This, sir, is the intention of the government.

The minister speaks of critical remarks which are hateful. I suggest to the members of this committee that it is hateful to see the evasion of the truth to which this house has been submitted by members occupying the treasury benches, not only on this question but on others. Questions are asked and not answered at all. If they are answered they are distorted, just as this one has been.

Mr. Favreau: That is what you are doing now.

Mr. Nielsen: I suggest to the minister that he has been guilty of distorting the facts of this case, otherwise the dozens upon dozens of questions which have been asked for almost eight months now would not have led to this situation, had they been answered instead of evaded, or if the minister of northern affairs had risen in his seat, instead of sitting silently, and answered some of the questions asked by the hon. member for Northwest Territories. Yesterday or the day before the hon. member asked in the house whether or not the minister did not give the assurance to the Eskimo people at Fort Chimo that they would be moved at government expense if they did not wish to remain under Quebec jurisdiction. But he sat silent. That is a question which should be answered.

Mr. Laing: The question was too ridiculous.

Mr. Nielsen: It is not too ridiculous to the 2,500 people involved.

Mr. Laing: And it was not asked.

Mr. Nielsen: The question was asked.

Mr. Laing: Not of me.

Mr. Nielsen: Then why does the minister not answer? Did he give the people of Fort Chimo the assurance that they would be moved at government expense if they did not wish to remain under Quebec jurisdiction?

Mr. Laing: Of course not, and no Eskimo at Fort Chimo asked me that question.

Mr. Rheaume: Then why did you not say so yesterday?

Mr. Nielsen: It seems to me there is a little difference of opinion as to what the council of the Eskimo people at Fort Chimo believe in regard to the assurances given them by the minister, and what the minister believes as being an accurate recollection of the assurances he gave them.

[Mr. Favreau.]

I should like to quote from an article which appeared in the *Canada Month* for the month of November 1963; I think it will interest the members of the committee and should be on the record.

On page 5 of this publication I find the following:

> Eskimo is now the second language of 20 employees of Quebec's bureau of northern planning, reported bureau chief Eric Gourdeau. Only trouble is, the 2,500 Eskimos in northern Quebec are not keen to return the compliment by taking French as their second tongue, asserted northern affairs minister Arthur Laing: Most of their contact has been with English speaking people. Laing's parliamentary assistant, M.P. John Turner, said the Eskimos thought "French" meant "Catholic": "To them the words are synonymous."
>
> Quebec wants to assume responsibility for Eskimos in the province, expects to be able to offer them jobs in coming industrial developments. Ottawa presently administers all Eskimos. Northern affairs Laing insists that, "No discussion will take place without...the Eskimo people themselves."

I do not appear to have the article here because I had not planned to take part in this debate—

Some hon. Members: Oh, oh.

Mr. Nielsen: I really was not—which quoted the minister, who I am sure must have read similar articles himself, as giving the assurance to the people of Fort Chimo that financial assistance would be forthcoming to those of the Eskimo people who did not wish to have any part in this transfer.

Mr. Laing: I think I might save the hon. member pursuing this matter if I were to tell him that I have a complete tape of every word I uttered there and I would be glad to have him listen to it some time.

Mr. Nielsen: I would be delighted. I only wish that more cabinet ministers might show even that small degree of co-operation to members on this side. I am going to use a term with which I am sure the Minister of Justice is very familiar and which is familiar to a good many people in the country today. It is a basic term in the new dialogue of internal diplomatic expression and I think it is a term which will be understood by the people of Quebec. Within the constitutional framework surely the people of Quebec will understand the right of self-determination.

Recently we have heard a good deal about opting out, such as the opting out that Premier Lesage has done in regard to the Canada pension plan. If he considers this as one of the rights of the province, if he considers this as one of the rights of self-determination within the province of Quebec, then he is one person and his government is one government that will understand the conceding of the right to the Eskimo people to

opt out of this arrangement which the government is considering imposing upon them.

I see that it is five minutes to six, Mr. Chairman, and I am going to take my seat to allow the Minister of Northern Affairs and National Resources the remaining time before supper to answer some of the questions that have been put to him. I will leave him with one last question about which the Eskimo people at Fort Chimo are very much concerned. If they do wish to opt out, and apparently it seems that they do since 90 to 95 per cent of them do not want anything to do with this transfer, is the government prepared to pay their removal expenses to transport them from the area in which they are now living to other parts of the northland?

Mr. Laing: Mr. Chairman, I anticipate that most of my remarks on this subject will be made after the dinner hour but I do want to make the comment, in light of the speech made by the Leader of the Opposition, the reply by the Minister of Justice and the intervention of the hon. member for Edmonton West, that it would seem to us who are not members of the bar that for some time to come we are going to live under a government of laws instead of men. I rather think that in the main the calibre of the debate thus far has been quite high—

An hon. Member: Except for Carleton.

Mr. Laing: —and while I am quite unable to speak on matters of law I have no intention of degrading the calibre of the debate.

I do want to say that this matter is one that has been before the government of Canada for some time, not only before the present government but before the previous government. My predecessor in this post was approached by officers of the government of Quebec in 1961, I believe, at which time they indicated their interest in taking over the operation of Eskimo affairs in northern Quebec. The tremendous area of Ungava, which was added to the province of Quebec in 1912, is now showing some promise of progress through the development of mines and so on and is thus evoking the interest of more people from southern Canada than it has in the past. According to the count by northern affairs there are about 2,300 Eskimos in the area at the present time located at some 27 posts, with only a very few at some posts, and up to as high as 600 or 700 at the very large posts.

In the couple of minutes left before six o'clock I wish to say that I am extremely proud of the work that northern affairs has done with these people because I would think they are among the most primitive people on the continent, and in many instances the white man has made contact with them for the first time within the last ten years. I am very proud of the work of the officers of the department not only since I have been minister of the department but over the last ten years, during which time contact has been made with these Eskimos.

We are finding that production from their limited resources of fur and fish is increasing greatly. Our officers, particularly in the industrial branch, are bringing along a number of small industries. They are extremely puny in terms of industry in southern Canada, but nevertheless these industries are providing income for the Eskimos. I want to tell the committee at this time that there is one place in nouveau Quebec where relief paid in February 1962, amounted to over $8,000, but as a result of developing the resources there and the production of things that the Eskimos can sell the amount of relief paid in February of this year was less than $700.

Mr. Chairman, may I call it six o'clock.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

Mr. Laing: When we adjourned at six o'clock, I had had the opportunity of bringing to the attention of the committee the work which the department of northern affairs has conducted in the northern areas for our Eskimo people over a period of some ten years. I want to say again that I am extremely proud of that work and very happy with the progress that is being made with these people. I want to remind the house that this portion of the responsibility of the department that we are discussing at the present time relates to part of the province of Quebec. There have been indications by the government of Quebec that it would prefer, as the northern sections of that province develop, to take over the administration of the Eskimos in that area.

This proposal has been made not alone to this government but to the previous government as well. We did not decline to discuss the matter with the government of Quebec, and I am quite certain that the previous government did not decline. I am quite certain that my predecessor in this house had discussions with the province of Quebec at that time. They have, on a number of occasions, brought to our attention the fact that they would like to administer the Eskimos in our place. They have asked us if we would enter into discussions with them as to a means by which this could be brought about.

Now, when these meetings started to take place we immediately had a great number of questions asked in the House of Commons concerning the progress of the discussions. I think on 16 or 18 different occasions questions have been asked of myself, of the Minister of Justice, of the Prime Minister and various other people. On March 4 I presented to the house a memorandum dealing with the results of a meeting or two we had with officials of the province of Quebec. I gave the house at that time the contents of the memorandum, and I quote:

—is not an agreement, nor is it an agreement to agree. It does constitute a statement outlining a consensus with respect to certain basic principles and conditions which, in the event of an agreement, are common to the two governments.

I went on to list these various conditions, four in all, as found on page 506 of *Hansard* for March 4. The questions that have arisen in the house have dealt largely with the matter of consultation. There was a prolonged series of questions on March 10, which ended in an exchange between the Prime Minister and the Leader of the Opposition. The Prime Minister, as recorded on page 736 of *Hansard*, said this:

If it will prevent a further waste of time by additional questions, I will say once again that the Eskimos will be consulted before an agreement is signed.

An hon. Member: Full retreat.

Mr. Diefenbaker: I cannot allow the last remark made by the Prime Minister to pass unchallenged. We on this side of the house have at last been able to get an answer indicating that these primitive people—

Some hon. Members: Oh, oh.

Mr. Diefenbaker: —are not going to be treated as chattels by this government.

Mr. Pearson: On the point of order, if the right hon. gentleman would read *Hansard* he will find this question specifically answered by the Minister of Northern Affairs and National Resources days ago. I suggest he read the statement.

Mr. Diefenbaker: No, no. We got the answer today.

Well, I would interpret the words of the Leader of the Opposition to mean that at long last he was satisfied he had gotten an answer. A few days later, when I was on government business in the province of British Columbia, a series of questions were asked again by the hon. member for Yukon. They were directed to my parliamentary secretary who provided some answers and then said that any further replies would have to await my return. I returned to the House of Commons a day or two after this, but no questions were asked of me then.

However, later we came to this point just a matter of a few days ago, on April 6, when the hon. member for Peace River dealt with it. He tried to establish in the minds of members of the house that there had been a *fait accompli;* everything was cut and dried. The hon. member said, as recorded on page 1839 of *Hansard* for that date:

It has been admitted in the house that this transfer is going to take place.

Some time later I intervened to ask him if he would refer me to the page in *Hansard* where that quotation was made. The hon. member said he was sure his seatmate would be glad to look this up while he was proceeding with his remarks. The hon. member's seatmate was the hon. member for Yukon.

Mr. Baldwin: He is going to get it now.

Mr. Laing: He has had since April 6 to find it. I do not think he will find it because it was never made in the House of Commons. This was the general buildup.

Mr. Nielsen: May I draw the minister's attention to page 506 of *Hansard*, the statement to which he has already referred, where he set forth the consensus. He will find, in the left hand column, about half way down the page where he said:

Canada is prepared to have Quebec administer Eskimo affairs as part of Quebec's general administrative responsibilities in the province.

Surely that constitutes an assurance that the transfer is going to be made?

Mr. Laing: I think I read the preface to my statement which said this is not an agreement or even an agreement to agree. How the hon. member can read that statement, and interpret it to mean that it was admitted in the house that this transfer was going to be made, is beyond my comprehension.

Mr. Nielsen: Surely the minister will agree with me the meaning of his words was quite clear and when he said:

Canada is prepared to have Quebec administer Eskimo affairs as part of Quebec's general administrative responsibilities in the province.

Does the minister not agree that what he is saying there in effect is that the federal government is prepared to transfer the administrative responsibilities over Eskimos in the province of Quebec to the province of Quebec?

Mr. Laing: At the beginning of page 505, as I have already stated. I said the memorandum was not an agreement, nor an agreement to agree, which was a preface to the entire statement. All we were doing was setting out a few basic principles by which we would be guided in any negotiations we had with the province of Quebec.

I am a little bit concerned that the hon. member for Yukon thinks if he can make an assertion in the committee that is not denied, then he clothes it with veracity. I can assure him that is not the case at all. We have

been sitting here listening to these repeated questions inferring that an agreement has been completed, and in the absence of a complete denial each time I think now some hon. members opposite are beginning to believe their own words. I think it was an American humorist named Josh Billings who took care of this situation, when he said: "It ain't the things a man don't know that makes him look foolish, but the things he does know that ain't so." I think there are a number of things hon. members on the opposite side have believed are so, but are not so.

Mr. Baldwin: On that basis is the minister prepared to indicate now, with reasonable assurance, that no transfer will take place?

Mr. Laing: The hon. member has asked me a question, and I intend to deal with the matter as I go along. I want to direct this to the attention of members of the committee, that in the arrangement of these affairs dealing with our indigenous people I would think it would be a natural thing for a national government, as time goes on and as conditions warrant it, to work closely with provincial governments in the supply of services to these people.

I want to pay some attention to what I thought was a very fine argument made last week in this regard by the hon. member for Skeena, that it is unthinkable that forever we should have two classes of people. Certain hon. members opposite are laughing. They are people who apparently would believe that it is good to keep people on two levels perpetually, and they are not prepared to agree or admit that a province is capable of rendering services equivalent to those given by a national government. With that I cannot agree.

I want to draw the attention of the committee to a statement made in the house on April 8, 1960, by a former minister of citizenship and immigration, the Hon. Ellen Fairclough. As recorded at page 3037 of *Hansard* for that date, she said this:

> Second, I wish to announce that the federal government is prepared to negotiate agreements with the governments of the various provinces for the extension of normal provincial welfare services to persons residing on Indian reserves.

Now, as hon. members know, section 113 of the Indian Act provides for these agreements in respect to educational matters only, but here in 1960 the previous government announced as a policy of that government that it was prepared to extend these agreements with the provinces to welfare services.

She continued:

> The purpose is to avoid the development of exclusive welfare services on reserves which would tend to set Indians apart from other Canadians and duplicate provincial programs in adjacent non-Indian communities.
>
> In negotiating these agreements the federal government is prepared to pay a reasonable share of the costs of the benefits, over and above the federal contribution under existing federal-provincial agreements, such as the Unemployment Assistance Act; and to share with the provinces reasonable costs of additional staff and administration required for the application of such programs. Moreover, my department will be prepared to enter into agreements to enable Indian bands to assume responsibilities for welfare programs normally administered by municipalities under provincial legislation.

Today we had the right hon. Leader of the Opposition attacking us for negotiating with the provinces when, under his own leadership, his government had announced in 1960 that it was prepared specifically to do those things.

Mr. Nielsen: Could the minister deal with the exception made in section 4 of the Indian Act, which specifically excludes Eskimos from the operation of that act?

Mr. Laing: Well, I think I have dealt fairly adequately with the attitude of the right hon. Leader of the Opposition today, as compared with the statement made on behalf of his government on April 8, 1960.

In addition, I want to point out that in my riding of Vancouver South, which is a purely urban riding that contains some of the largest homes in the city, there is an Indian reserve of some 600 or 700 acres, the Musqueam Indian reserve. About four or five years ago, when the right hon. gentleman who sits opposite was prime minister, an agreement was made at that time under the pressure of the then chief, who happened to be an Indian woman named Mrs. Guerin, to have the children from that reserve not attend the little school on the reserve but to go to the Kerrisdale school with white pupils. She had to fight a long battle with the Vancouver school board and with some of the parents of the area. I have kept a watch on developments since, and I wish to say it proved again that in this world there are no indigenously inferior people. Those children are coming along just as well as any white child in the school.

This integration, if you want to call it that, this understanding between whites and indigenous people, is a thing all governments should support so long as it can be adequately done and safeguards provided.

I am now going to draw the attention of the committee to the fact that the hon. member for Skeena has been consistent in this regard, because immediately after that announcement was made by the minister in 1960 he said, as recorded at the same page of *Hansard*:

We also appreciate the announcements made by the minister with respect to these two matters, which are exceptionally good ones. We hope additional steps will be taken later on in order to deal with other similar problems.

That is, dealing with the problem of bringing welfare matters more closely under the direction of those governments that were on the ground, rather than under the central government. Therefore, I think any claim that exception should be taken to administration of these schemes by the provincial government is not sound, is not historically correct, and probably would have been the policy of the previous government as well.

I want to tell the committee some of the things that occurred on an exceptional trip I took last summer over some 7,000 miles of the northern territory, during which we held a couple of gatherings of the Quebec Eskimo people, first at Fort Chimo and second at Great Whale River. This is language taken from an interpreter. It is not particularly erudite language but I want to give the committee some of the remarks I made to the Eskimo elders when we met them at Fort Chimo on September 10, 1963.

Getting down to the present situation, I can understand it if the Eskimos find it hard to explain that one government should argue with another government that it can do better by him. We are dealing with a moral responsibility. And since it is a moral responsibility, the first primary, predominant consideration is the person that we are trying to help. In other words, the Eskimos. And the government of Canada has accepted this moral responsibility. Accepting this moral responsibility does not mean that we shall exclude other agencies or other governments from giving assistance to Eskimos. This is part of Canada but this is also the province of Quebec. And there are provincial laws which have to do with people over which the federal government has no control and an area which it does not invade. We white people make a statement now and again that we prefer the devil we know to the devil we do not know. I think in the minds of some of the people here there is that feeling. Most of the concern, I think, about the administration of Quebec—because this is Quebec and the Quebec government has to administer this area in respect of a number of things—I think most of the concern has to do with exercising the sanction of the game laws. I cannot believe that they would impose white man's game laws on Indians and Eskimos.

Now then, when we get down to talk of takeover, there have been two discussions in which I was involved with officials of the province of Quebec. They were initiated by the province of Quebec. They asked for the discussions. There have been no negotiations whatsoever in respect of a takeover. In other words, the operation of northern affairs in respect to assisting Eskimos in various ways is in the identical position today as it was two years ago. If there are any further discussions which could lead to negotiations, I am going to propose to the people of Quebec, the representatives of the government of Quebec, that no action be taken without consulting the Eskimo people themselves and I do that because the only interest in our being here and spending a tremendous sum of money here is the good of the Eskimo people themselves.

[Mr. Laing.]

Mr. Rheaume: Would the hon. member permit a question? Did any of the Eskimo leaders say to the minister at any time during his visit to Fort Chimo last September, or did they indicate to him either in English or through interpreters, that they did not want their affairs transferred to the province of Quebec?

Mr. Laing: Of course I have just read my statement. I could read another—

Mr. Rheaume: I want to know what the Eskimos said to the minister, not what he said to them.

Mr. Laing: I could read the entire account. I had heard representations from the Eskimo people and this was my reply.

Mr. Rheaume: I was looking for a simple answer—yes, or no. Did any of the Eskimo people at that time indicate that they did not want their affairs transferred? Surely a simple yes or no could be given; I do not want the transcript of what was said.

Mr. Laing: Of course some Eskimos said they were fearful of any transfer. Most of them said they were extremely happy with the administration of affairs by the department of northern affairs. I have made that statement on a number of occasions. As a matter of fact, I did so when I returned. The hon. member has no need to ask that question in the committee, now.

Mr. Nielsen: Would the minister permit me to intervene for a moment? During the dinner hour I have been able to find the press reports to which I referred earlier in my remarks before the recess. This is an article by Mr. Dafoe which appeared in the Winnipeg *Free Press*.

The Eskimo council met with federal northern affairs minister Arthur Laing to express their concern about the transfer of authority and asked for federal assistance in moving out of the province if Quebec did get control.

I wonder if the minister could tell us whether any such offer of federal financial assistance was made at the time of his visit.

Mr. Laing: This is another case of the hon. member taking up a statement which appeared in the press and trying to establish it as a fact in the house.

Mr. Nielsen: Well, I am asking the minister.

Mr. Laing: No single Eskimo made any suggestion to me with regard to our providing transport or accommodation for him to leave the territory. That has been said before. A number of meetings have been held with the province of Quebec, and the differences which exist between us principally have to do with what is meant by consultation.

I want to tell the committee now that the position I have taken, the position we have taken, in respect to what "consultation" means, this being the outcome of the memorandum I gave to the house on March 4—and nothing has been concluded or undertaken by us or by the Quebec government since, and as a result of that memorandum—our interpretation of the meaning of "consultation", the position we are taking now is that we would not exclude from the consultation with the Eskimos any aspect of the proposed arrangement with Quebec for the provision of those services. This confirms what I said both at Fort Chimo and at Great Whale River and represents the continuing attitude of the government.

The Leader of the Opposition asked three specific questions this afternoon. He asked whether an agreement had been concluded. He asked whether a proposal had been put up that we pay 50 per cent, or 100 per cent of the cost. I want to assure the committee that at this moment no agreement has been reached with Quebec in any respect whatsoever. My officials are dealing with officials of the Quebec government with respect to putting into effect, or working from, that memorandum presented to the house on March 4, and that is where the matter stands.

Mr. Nielsen: Before the minister concludes, I wonder if I might ask him one question bearing on the remarks he made as to his interpretation of what "consultation" means. Frankly, I agree with him that that is what consultation should mean. But from what he has said it would appear there has been no consultation with the Eskimo people themselves with regard to the provisions, the terms of the consensus which he read into the record on March 4.

I should like the hon. gentleman to assure us that there has been consultation with respect to the provisions of the consensus between the two governments. The minister said that since March 4 there have been continuing conversations between officials of his department and those of the government of Quebec. Have the Eskimo people been represented with regard to those conversations?

Mr. Laing: Of course, Mr. Chairman, in the light of the memorandum which I brought to the house, how could they be expected to? The memorandum was a memorandum of a set of principles which, in our view, were prerequisite to our accomplishing anything by way of an agreement with Quebec, and we are still in a state of argument, if you like, on the question of what constitutes consultation with the province of Quebec. Certainly that is the primary step, one which must be taken prior to any discussion with the Eskimos. As far as consultation is concerned, I am having a consultation with my hon. friend from Yukon and I am quite certain that every time I sit down he will make his views known to me. I think that is consultation, and that is the attitude we are taking in this matter.

Mr. Nielsen: Mr. Chairman, I wonder whether the minister will give this committee his assurance that on the commission to be set up between the two governments, if indeed the government insists upon going ahead with this unconstitutional plan after having heard these arguments, he will have representatives of the Eskimo council, or independent counsel obtained by the Eskimo people, who will be sitting on the commission and taking part in the discussions as to the provisions of any eventual agreement?

Mr. Laing: Mr. Chairman, this aspect has been discussed by my officials and the officials of the government of Quebec.

Mr. Nielsen: I am very glad to hear that the matter has been discussed by the officials of the two governments, but my question was: Will the minister assure us that the Eskimo people, through a representative of their council or by independent counsel selected by them, will be represented on that commission? Will the minister answer that question for us?

The Chairman: The hon. member for Edmonton West.

Mr. Nielsen: Mr. Chairman, I would like to ask the minister to either rise and give us that assurance or tell us he cannot give us that assurance—one way or the other; because I am sure we are all interested in finding out whether the government intends to have the Eskimo people represented at all on that commission. Surely we are entitled to an answer.

Mr. Laing: Mr. Chairman, I was trying to establish some more facts for my hon. friend by not giving a denial. We certainly will see to it, because of the construction we put upon "consultation", that the views of the Eskimos are known by whatever means we can obtain them.

Mr. Nielsen: I am afraid, Mr. Chairman, I still have to ask the minister whether he will be kind enough to consider the question I have asked him. It is a very simple question: Will he either give the committee his assurance, or not give the committee his assurance, that the Eskimo people will be represented on the commission either by someone of their council or by independent counsel selected by them? This is the assurance that we want.

Mr. Laing: We will consider that, Mr. Chairman.

Mr. Lambert: Mr. Chairman, I wonder whether the minister could deal with those points which I raised with his colleague the Minister of Justice. The Minister of Justice assured me that the Minister of Northern Affair and National Resources would deal with them. They deal with who shall have the say on the norms for education, and whether there shall be any independence or discretion as to policy on the basis of agency, as it has been indicated that any agreement will be on the basis of principal and agent.

Mr. Baldwin: There has been no consultation between the ministers.

Mr. Laing: Certainly in any discussions we have had with Quebec, and in our own minds, the maintenance of the present standards of service would be prerequisite to any arrangement at all; and not only maintenance but an extension of those services, because not in all districts have we the full grades of education that are going to be soon required in the area; we have school to grades 4 and 5 in some places. In addition to that we have not secured all the children in the area, but about 65 per cent, for the schools. So the standards we would insist upon would have to be as good as those we have now and, in addition, would have to take care of the future requirements of the population.

Mr. Lambert: This is what I am concerned with, in that the level of the educational facilities will be comparable in the ultimate evolution of the educational process in the area with, say, the Eskimos in the western Arctic. Will this be the case?

Mr. Laing: Quite obviously they will have to be. We are somewhat behind, in that area, in the provision of schools, partly because of the discussions that have taken place. I think we are prepared this year, in respect of Chimo, to put a $300,000 school there.

Mr. Martineau: Mr. Chairman, may I ask the minister just how he expects to make the province comply with federal requirements in this matter of education?

The Chairman: The hon. member for Brandon-Souris.

Mr. Martineau: Mr. Chairman, the minister just gave an answer and I think he would want to clarify that answer by answering the question I have asked.

Mr. Laing: Of course, Mr. Chairman, education being one of the prime considerations, it would be included in the agreement. I am quite certain the hon. member would not wish to suggest that either we or a province, having entered into such an agreement, would show bad faith thereafter. The standards would be maintained as under the agreement, of course.

Mr. Martineau: There is no suggestion of that. I just wanted to know how the federal government can exercise its control in the matter of education to see that the school facilities and standards are equivalent to those now in force. The minister has not answered that question to my satisfaction.

The Chairman: The hon. member for Brandon-Souris.

Mr. Martineau: Mr. Chairman—

The Chairman: Perhaps the hon. member will have an opportunity to make a contribution and ask questions after a while. It seems to me we will make better progress that way.

Mr. Martineau: On a point of order, Mr. Chairman, I think that for intelligent discussion, if the minister is replying to a question he should reply to it fully so that we will not have to come back again on that particular point. My question is absolutely pertinent to the point raised by the hon. member who asked the previous question.

Mr. Laing: Surely, Mr. Chairman, my hon. friend does not suggest that the province of Quebec would not wish to maintain the standards.

Mr. Martineau: I am not suggesting anything. I am asking the minister a question, and he persists in not answering it.

An hon. Member: Arrogance.

Mr. Ricard: You are looking at yourself in a mirror.

Mr. Laing: My hon. friend did not deal with the language question at all, though he probably inferred that. He dealt with the quality of education. If Quebec agrees to maintain a certain quality of education, is he suggesting they are going to fall down on that agreement?

Mr. Martineau: That is not the answer to my question, Mr. Chairman; it is another question.

The Chairman: I recognize the hon. member for Brandon-Souris.

Mr. Dinsdale: Thank you, Mr. Chairman. The item under which we are carrying out this interesting discussion is vote 1e, which concerns itself largely with a grant to the Canadian council of resource ministers. I think it is most appropriate that we are having this particular discussion under this

vote, because the hon. minister has already intimated that there were some discussions on this subject in which I, as the minister of northern affairs and national resources in the former administration, took part. On both these occasions the discussions were incidental to the subject of the resource ministers council. As a matter of fact, the first time I was approached on the subject was during the course of the very successful resources for tomorrow conference in the city of Montreal in October, 1961.

On that occasion the minister of natural resources for the province of Quebec incidentally referred to his government's interest in the matter of administering the affairs of the Eskimos of new Quebec. The second occasion on which the subject was raised was also a meeting following the resources conference, a meeting at which we were making the final arrangements for bringing into effect on a permanent basis the resource ministers council, and again this subject was raised incidentally.

Realizing the constitutional importance of the supreme court's decision of 1939—I am not getting into the constitutional aspects tonight because I feel this has been quite adequately dealt with by my legal confreres on this side of the house—I suggested to the minister of resources for the province of Quebec that it was of such vital and fundamental importance that it should be discussed at the highest levels, namely by the prime ministers of the two governments concerned. The last contact I recall having had on this subject was on March 16, 1963 when I replied to the minister of resources, who was inquiring when the premier of the province of Quebec might hear from the Prime Minister of Canada. In reply to the remarks of the minister tonight with reference to any negotiations which the former administration might have had, I have to indicate that this is all that transpired. In other words, we stood firm on the constitutional aspects of this problem.

There is another reason for my entering the discussion at this time. This is the first opportunity that I have had to refer to the passing of one of the senior officials of the department of northern affairs. I refer to the late Frank Cunningham, who was the assistant deputy minister for a number of years and one of the men who played a key role in implementing many of the progressive policies which have taken place in northern development during the past five or six years. Mr. Frank Cunningham retired early because of ill health and did not live many months beyond his retirement. I am sure the minister of northern affairs would join me in indicating that he was the type of devoted civil servant in the department of northern affairs to which the minister referred in opening his remarks tonight. Mr. Cunningham was largely concerned with roads to resources and the material aspects of the northern development program.

This brings me to the point that I want to present to the committee tonight. All the policies which were implemented by the former administration with respect to northern development our primary concern was with the development of human resources. The minister agrees with this viewpoint, and has indicated this is so in the remarks he has made to the committee tonight. The only reason I am speaking at this time is because as I listened to him I saw a ray of hope that the door was still open, and that he is not yet firmly convinced that the step being contemplated by the present government, namely the transfer of administration and jurisdiction of the Eskimos of northern Quebec to the provincial government, will be in the best interests of these people. As a matter of fact, I think the case could be proven that this might indeed be a retrograde step.

The minister paid high tribute to the work that has been carried out by the department of northern affairs in all parts of northern Canada. Having said that, he then indicated he is willing to transfer the jurisdiction and administration of this territory to another level of government. I am sure all members of this committee will agree that the record of Canada and the governments of Canada with reference to the original Canadians—the first Canadians as they are sometimes called—is not a good one. I am not going to recite the long sad story of governmental neglect in the area of both Indian affairs and Eskimo affairs. The problem has been confounded by the sort of paternalism which completely ignores the wishes of the people concerned with regard to the administration of their own affairs, as contemplated by this transfer of jurisdiction. I could speak of the neglect in the areas of health, the problems which have been compounded by segregation on reserves, by educational segregation, and so forth and so on. It is only in recent years that both the Indian affairs branch and the department of northern affairs have moved forward with a progressive policy toward our first Canadians.

As a result of the improved health program the Indians and Eskimos are no longer a vanishing people. The infant mortality rate was of shockingly high proportions until the department of northern affairs and the northern health services branch moved into this area of Canadian activity. Educational

programs were one of the keystones of northern development under the former administration. It should be pointed out that the first program for sponsored university education in any part of Canada was undertaken on behalf of the citizens of northern Canada by the department of northern affairs. Then the great leap forward with respect to our first Canadians was the granting of the franchise, the unrestricted franchise. This was the first genuine indication that the government of Canada was concerned in moving these people forward from third to second class citizenship to first class citizenship.

A great deal of interest has been generated in the major metropolitan press across the country with regard to this question. Top flight reporters have been sent into the area concerned to examine the problem at the grassroots level. I have been disturbed to find comments of the politicians concerned which seem to suggest that these first Canadians, our original Canadians, are a backward people. This has been the case with some of the public figures in the province of Quebec involved in these discussions. As a matter of fact the minister of resources of the province of Quebec has repeatedly indicated that he is willing to consult in all aspects of this problem except the fundamental area, the matter of the transfer of administration and jurisdiction. One of the most disturbing statements came from the M.L.A. who represents this area of northern Quebec, who demanded that the franchise should be removed from these northern Quebec Eskimos. This is why I feel there is a strong possibility that the step contemplated might be a retrograde one.

The minister has indicated his confidence in the capacity of these northern citizens. I can confirm this on the basis of the many contacts I have made. For example, Fort Chimo is one of the main communities concerned, and the Fort Chimo Eskimo co-operative is one of the most progressive of all northern co-operatives at present in operation. I recall a press conference that was held at the Ottawa press club in August of 1962 when representatives of the Fort Chimo co-operative came to Ottawa to promote the sale of Arctic char. They were exposed to a full battery of questions on the part of members of the parliamentary press gallery, and their answers were so sophisticated and competent that one press interrogator suggested that the Eskimos had been briefed. He said to one of them: "You sit there and you answer these questions with all the sophistication of a business executive". The Eskimo could not speak English, but speaking through an interpreter he said: "If I look like a business executive it is because I am a business executive; I am president of the Fort Chimo Eskimo co-operative".

Very often the uninitiated, those who are unfamiliar with these excellent people, refer to them as backward, not ready for the franchise and not capable of handling their own affairs as other Canadians do. I could refer to the first conference of Eskimo co-operatives held at Frobisher Bay just a year ago, when representatives from right across the Arctic as well as northern Quebec met at Frobisher Bay for a conference which lasted several days. They carried on discussion in an economic conference that would compare favourably with many of the conferences that are conducted in the southern parts of Canada.

I am giving a friendly warning to my successor, the present minister, that every indication in the house up to the present time concerning this move would suggest that the government is moving in a retrograde direction. The new government has repeatedly given lip service to a more humanitarian and enlightened approach to the problems of our first Canadians. This is the first major action that the government has contemplated and it threatens to reverse all the gains that have been made in recent years by their predecessors in governmental responsibility.

I am going to make four recommendations that should be taken into consideration by the government as they contemplate this problem. I think it has been proven beyond any shadow of doubt in the discussion today that before there can be any change of jurisdiction a constitutional amendment is required. This is a national problem. It is one that applies to both Indians and Eskimos and it concerns all the provinces. If we are going to continue as a federal state we cannot deal with this problem only within the jurisdictional area of one province. We must consider the entire national perspective. Yet the minister has already indicated that the government is willing to negotiate notwithstanding the constitutional prerequisite.

My colleague, the hon. member for Pontiac-Temiscamingue, stated the constitutional position quite precisely the other day, I thought, when he made his excellent contribution to this discussion. I noticed that when the hon. member for Carleton tried to deal with this matter without any reference to authorities he did not refer to the excellent contribution of the hon. member for Pontiac-Temiscamingue who presented the Quebec viewpoint on this matter. Rather he dealt with the questions that had been propounded by the hon. member for Joliette-L'Assomption-Montcalm who has not yet made a speech on this subject. I suggest that the hon. member for Carleton

should follow the lead that has been given by the hon. member for Pontiac-Temiscamingue.

The second recommendation I wish to make to the minister and the government is that the wishes of the Eskimos be respected in these matters. So far as I have been able to determine, the Eskimos have made no requests for this jurisdictional transfer. If there is one fundamental principle that is more important than another it is the fundamental right of self-determination, which Canada has insisted upon in discussions at the United Nations and other international gatherings, with regard to the treatment of other peoples who have not yet assumed the full status and quality of citizenship. This is a basic human right and I think the minister would be well advised to take this into consideration. There has been no agitation by the Eskimos for this transfer. On the other hand, in every case where the Indians have been granted certain concessions requests have come from the Indians themselves in each instance.

Mr. McTaggart, the former principal of the school at Fort Chimo, has got into the public discussion recently. I know Mr. McTaggart. He comes from the province of Manitoba and I am sure that Manitobans are noted for their—

Some hon. Members: Hear, hear.

Mr. Dinsdale: Perhaps the hon. member for Winnipeg North Centre might help me—tolerance and temperance in these matters. The point Mr. McTaggart was trying to make was that the wishes of the people of Fort Chimo were being ignored. It may be that he trespassed, so far as his responsibilities as a civil servant are concerned, but I do not think it can be denied that he had a legitimate point in trying to present the body of public opinion in this northern community as he understood it.

The next point I should like to make is that the discussions must include both Eskimos and Indians. Otherwise we will have discrimination between these two groups of first Canadians. I simply refer to the situation at Great Whale River where you have Indians and Eskimos living side by side. If the Eskimos are under one jurisdiction and the Indians under another jurisdiction you will have segregation and confusion confounded. The first native Indian to serve in this parliament—I refer to Senator Gladstone—has made the point repeatedly that the problems of these two peoples cannot be considered in isolation. They are one and the same and indivisible. As a matter of fact, he has repeatedly recommended that both these groups should be brought under the jurisdiction of one department and he prefers the Department of Northern Affairs and National Resources because of the excellent record they have established in administering the affairs of the Eskimos.

Miss LaMarsh: The Eskimos are no more Indian than is Senator Gladstone.

Mr. Dinsdale: My hon. friend the minister of health and welfare says the Eskimos are no more Indians than is Senator Gladstone.

Miss LaMarsh: Except legally.

Mr. Dinsdale: The minister should read the decision of the supreme court in 1939 in this respect.

The final point I should like to make, Mr. Chairman, is that parliament must decide this issue. This is the reason for the extended discussion on these estimates. This matter must be brought before parliament because it is a fundamental issue of human rights and only parliament, not the government, is qualified and has authority to deal with it.

Before concluding, I should like to make one or two additional points. The Minister of Justice maintains that this whole matter is administrative. I want to ask him how you can turn over administration without affecting the jurisdiction? How can you enter upon such matters as health of the Eskimos, medical care, schools, welfare and justice, without possessing jurisdictional authority to do so? If this is the case, then this government is either being false to Quebec or false to the constitution.

If Quebec has a legitimate claim, and no member on this side of the house has said it has not, then the proper constitutional steps must be taken to turn over jurisdiction. The hon. member for Pontiac-Temiscamingue made this fundamental point. This is not the first time that this government has tried to cut corners. It has done it in so many other basic matters in this house in recent months. The government, for some reason, is trying to approach this matter in an underhanded, devious and uncertain manner. It is for this reason we on this side of the house are objecting. Our objection is to this government's total incapacity to act in accordance with the principle that a straight line is the shortest distance between two points.

The confusion that has resulted has been caused directly by the government's devious methods. There is no need for unseemly haste. Certainly, Mr. Chairman, there is no need for unparliamentary haste in dealing with this fundamental issue.

Mr. Howard: We dealt with this same subject on another occasion, and while it is of vital importance because it affects the rights of people, nevertheless I do not think

it warrants the extensive repetition that has taken place, certainly not in so far as I am concerned. However, listening to the minister explain the situation this evening, particularly when he answered questions posed by members of the Conservative party, he left a distinct impression with me that he had something to hide; that he was in a box and that he was trying to explain away an awkward situation. This is regrettable. I think perhaps the minister is in a situation, unfortunately, not entirely of his own making and he is making the best of a bad job.

I do not know who initiated these discussions, but I think it would be the province of Quebec. I think it is quite obvious, after listening to the hon. member from Brandon-Souris, that the discussion of the transfer of jurisdiction really did start at the ministerial level. There was not any concern on the part of the government of Quebec or on the part of this government, in attempting to discover the attitude of the people themselves. I believe this is what the minister is trying to cover up, and it is a regrettable situation. I gather it is not only the Liberal government that is responsible for this sort of high level bungling, or attempts at high levels to deal with the rights of people. I say that because of the admission made by the hon. member for Brandon-Souris just a moment ago. He was attending the resources for tomorrow conference in Quebec and was approached on this question. His answer was that this matter should be discussed at the highest level, and he qualified that by referring to the level of the Prime Minister of Canada and the premier of Quebec.

This is where the error was made in the first instance. What the hon. member for Brandon-Souris should have said on that occasion, if his words now mean anything or reflect the attitude of his party, was that this matter should be discussed at the highest level, namely, the level of the people concerned. This is the only level at which it should be discussed. I have tried to make this point time and time again with the minister: When you are dealing with the rights of people, for heaven's sake consult these people first. If you do not do that, you have no business proceeding further with any discussion, developing memoranda or answering letters. In this instance, the Eskimo people should have been consulted first to ascertain what they wanted. Then the minister, as the one responsible for their affairs, should be their representative, and negotiate for them. You do not consummate an agreement, then come back and try to sell it to the native people. So far as I am concerned you should discontinue these discussions with Quebec until you find out what the Eskimo people themselves want, and you should not do anything else.

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

Mr. Howard: Yes.

Mr. Dinsdale: He has indicated that the initial error was the suggestion the matter should be discussed at the highest level, the prime minister's level. Does he not recall that one of the points I made during my observations tonight was that no discussion ever took place at that level, and my stand was that you must consult with the people concerned.

Mr. Howard: The hon. member also said he suggested it should be discussed at the highest level, and he referred to the level of the Prime Minister and the premier of Quebec. He can qualify that by using the phrase he has just used now, but the fact is that he made that statement and did that.

Mr. Rheaume: Mr. Chairman, several days ago we were discussing this subject and I raised a few points. Until that time I had refrained from entering the debate, even though as a resident of the Northwest Territories and as the member representing the bulk of the Eskimo people in this country, I am quite prepared to stand in this house and tell the Prime Minister, the Minister of Justice and the Minister of Northern Affairs and National Resources a few things about the Eskimo people that they may not know. However, I participate at this point because I have not had answers to the basic issues I raised.

By way of comment, I was fascinated by a headline in tonight's Ottawa *Citizen*, which I assume came from the pen of the Prime Minister's nephew, who is editor of that paper, in which he says the Prime Minister is going to the country if there is any more delay in the house. I say to the Prime Minister and to the committee, we would love to go to the country on the issue of whether or not 2,500 Canadian people are going to be pushed around. I will gladly campaign anywhere, from one end of the country to the other, on that very issue.

Until we get some answers I am quite prepared to talk, and talk, and talk. I say to any of the brave gentlemen opposite, with their northern experience, like the hon. member for Carleton, who want to tell us something about the north, let them stand up and I will gladly take my seat while they pose their questions.

I want to say to the minister I have confidence in the stand he has taken within the cabinet on this matter. I have confidence in the kind of things he told the Eskimo people

on his visit to the Canadian north last fall. My recollection is that just before he went to Fort Chimo he bumped into me in the Canadian Arctic and I suggested to him, having come from Fort Chimo myself, that he might run into this problem. I know the Eskimo people at Chimo have a reasonable degree of confidence in him, but I am not confident in the things the Minister of Justice said in the committee today, because I am satisfied he is the one who has the power in this play going on between the federal government and the provincial government.

The Minister of Justice said today, "Don't worry, whatever is best for the people shall be done," but I say to him nearly all of the unpleasant, unsavoury, unacceptable and unworthy things that happened to me in my life have happened to me at the hands of people who were doing what was best for me, and I am not prepared to have the Minister of Justice decide what is best for me and what is best for 2,500 Canadian citizens who happen to be Eskimos in northern Quebec.

There are a few issues which I have raised in the house and I intend to raise them again in the committee tonight. One important issue that has been the curse of many previous ministers of northern affairs is whether the people of the Canadian north are going to be consulted about major policy matters or not? This is the issue.

The people of the north are a special kind of people. The minister who represents them in parliament—and I must say I am happy with the way the present minister is representing us who live in the north—must have a special kind of courage. He must have a special understanding of what we, who choose to live in the Canadian north, want. We insist on being consulted before things like this happen. It may have been good enough in previous years for the federal government and the House of Commons to do things to the Canadian north, but it is no longer good enough, and so far as I am concerned, so long as I am its member, I shall take this same position on every issue that is raised. You are going to consult us, Mr. Minister, before you decide what you are going to do with our lives.

I want to draw the attention of the committee to the fact that in Ottawa at the present time we have gathered together a group of our northern officials in conference. They are here to give the minister and his senior officials the benefit of the experience they have had over the past two years. Every two years the department brings these men and women from all parts of Canada in to Ottawa, and I say to the minister if he wants to find out what is going on, let him consult these people. They are all here, brought to Ottawa at considerable expense to the taxpayer, and surely no one begrudges the cost of that. For goodness sake, I say to the minister, talk to them. He has all his officers here from northern Quebec. Let him ask them what are the issues at stake right now. Let him go to these people and find out.

My hon. friend suggests a deal has been made. I am not sure it has. Hopefully, I suggest it has not. The reason I am speaking now is because questions I raised several weeks ago were not answered. Indeed, it was not until this afternoon that the minister got up and, under tremendous pressure from the hon. member for Yukon, finally admitted that several people, several Eskimo people, had told him they were opposed to the transfer of their affairs to the jurisdiction of the Quebec government. Why in the world could he not have said that in the house two days ago? I asked him whether the people of northern Quebec suggested to him that they did not want to be administered by Quebec. I asked him whether any of them had asked him about getting help to move to the Northwest Territories. He sat there and said nothing.

It was only today, when finally a minister of the crown realized his estimates might not get through until he was prepared to level with the committee and the people of Canada, that he got up to speak. There has been a lot of talk about consulting the Eskimo people. How do you consult with the Eskimo people? I will tell you how to do it. I am waiting for a definitive statement to be made on this matter by the hon. member for Saguenay, who represents the Eskimo people. During the dinner recess, out of curiosity, I looked up the last poll results from the northern Eskimo settlements in Quebec. I was not happy with them, but I was interested to learn that they voted almost solidly in favour of the hon. member for Saguenay, who happens to be on the government side of the house.

Apparently we are not afraid to consult those people when we want them to elect a member of parliament from northern Quebec. I know the way the last election was fought. Apparently we did not hesitate to take the issues of nuclear weapons, cabinet solidarity and balance of payments to the Eskimo people in the north when they voted for the hon. member for Saguenay, but all of a sudden they are not competent to say whether or not their affairs should be administered by the provincial government. I suggest it is a glaring omission that the hon. member for Saguenay has yet to make a single statement in the committee.

If he is not prepared to speak for the 2,500 Eskimo people in northern Quebec, then by

default I am prepared to speak for them. I am prepared to say to the minister that I am not satisfied with the reasons given for the negotiations and dealings made to date. I am satisfied that this is nothing more than an exercise in political appeasement to the province of Quebec, and I am prepared to continue talking in the committee to see to it that we get to the bottom of the issue.

One of the chief negotiators in this matter has been the minister of resources in the province of Quebec. The Minister of Justice assures us, turn these people over to Quebec and all shall be well. Yet this same minister, Hon. Rene Levesque, says it will be an abuse of democracy to give the Eskimo people the right to vote on it. He says it is hypocrisy; that those who want this vote are hypocrites. I ask, should the Canadian people entrust the affairs of our Eskimo people to this kind of person who is prepared to make this kind of statement?

I want the minister to reassure me on this matter. I want him to reassure the Eskimo people. He can reassure me tonight by clearing up the one or two areas that are still in doubt. Further, I want him to do something else, and I am really prepared to help him.

I want him to write a letter to the Eskimo people of northern Quebec. I have all their names and addresses. I have a typewriter that will type in syllabics. My secretary is an Eskimo and she will help with the translation. I want him to do this while we in southern Canada are tussling over the question of the administration of Eskimo affairs. I want him to write a letter and give to them the same kind of reassurance that hopefully he has given us.

Write them a letter. Tell them that he is their minister. Tell them that they can count on the trust they have in him—and I know they have trust in him. Write them a letter. I will help him print it. He can use my typewriter. Let him say that while we southern Canadians are fighting over this issue they need not worry because he will see to it that their constitutional rights and their right to self-determination will be defended, just as would be the rights of any other Canadians. That is what I am asking him to do tonight.

Mr. Turner: I do not intend to deal with the legal and constitutional aspects of the matter before us. I feel that the Minister of Justice has dealt well and capably with them. I do wish to refer to certain aspects of the speech made by the hon. member for Yukon who tried throughout the course of his address this evening, as, indeed, he did in his earlier interventions on this subject, to put words into the mouth of the minister of northern affairs.

[Mr. Rheaume.]

The hon. member is a lawyer with experience in a tough territory where life is harder than it is in southern Canada. He has had experience before the courts. Versed as he is in the common law, after many years of practice he knows it is an old and respected principle of the common law that silence is never to be equated with acquiescence or acquiescence deemed to follow necessarily from silence. Yet, this evening, having in mind the fact that over the past several weeks questions have been posed by hon. members of his party, some of which have not been answered by the minister, either because—with respect, Mr. Chairman—they were out of order, or inflammatory, or hypothetical, or argumentative, because the minister has not chosen to abuse the rules of the house in the same fashion, his silence is interpreted by the hon. member for Yukon as acquiescence. I put it to the hon. member that he is too accomplished a lawyer to believe in that principle, though from time to time he is too enthusiastic a debater to follow it.

I want to suggest to the committee that what the member for the Yukon has tried to do with the statement made by my minister, the minister of northern affairs to the House of Commons on March 4 is this: misread it, misinterpret it, colour it by omission, and separate the preface from the integral part of the statement, though the preface is an important part of that statement. My minister said, clearly, that this memorandum was not an agreement or even an agreement to agree; it was merely a memorandum of basic conditions and principles in the event that an agreement might eventually be concluded between Quebec and the federal government. This is, as was said by my hon. friend the minister of northern affairs, a set of guidelines and it is obvious that if one is to have guidelines one must express them in the indicative, not in the subjunctive mood; one must indicate them in the terms one would ordinarily find in the agreement itself. But, relying on sophistry, the hon. member for Yukon finds the word "agreement" in the memorandum and says: Aha! A *fait accompli;* a deal has been signed; the Eskimos have been betrayed. Yet the document is perfectly clear. We are still, as the minister was then, in the course of negotiations, and I would ask the hon. member for Yukon and other hon. members who, I know, are dealing sincerely with the subject, to consider these points as items in a memorandum made during the course of discussions.

I listened while the minister referred to the declaration of a former minister of citizenship and immigration, Mrs. Fairclough, to be found recorded in the April 8, 1960, edition

of *Hansard*. The hon. lady announced government policy of that day to the effect that the federal government was then prepared to enact agreements with the governments of various provinces for the extension of normal provincial welfare services to persons residing on Indian reserves. She said the purpose was to allow the development of the Indians as a self-sufficient people so as to avoid the growth of exclusive welfare services on reserves—something which would tend to set Indians apart from other Canadians. This, as I understand it, is the point taken by the hon. member for Skeena.

The hon. member for Yukon answered this argument by saying that Eskimos are not Indians—that they are deliberately excluded from the Indian Act. This, I suggest to him, is another sophistry. The hon. member for Yukon looks at me benignly and smiles. He knows as well as I do that the governing authority is the supreme court action which he cited and which the hon. member for Peace River also cited—the Indian reference before the Supreme Court of Canada. I know that the hon. member for Yukon, a meticulous lawyer, still refers from time to time to the headnote, and the headnote summarizes the case: "Eskimo inhabitants of the province of Quebec are 'Indians' within the contemplation of head 24, section 91 of the British North America Act".

Mr. Baldwin: May I ask the hon. member a question? Is he referring to the 1939 supreme court decision?

Mr. Turner: I anticipate a double-barreled reply.

Mr. Baldwin: Just one question, if that is the case referred to. Is the hon. member aware that the Indian Act was passed in 1951, which was 12 years after the decision to which he refers, with full knowledge that the decision he quoted says that a reference to an Indian does not include any person of the race of aborigines commonly referred to as Eskimos?

Mr. Turner: I will concede, within the limits of the Indian Act and the welfare provisions of that section, the strength of the hon. member's argument. All I am saying is that we must not be legalistic about this. We are talking about the native people, and the principle adduced by the hon. member for Skeena, with which I agree. It is that the native, indigenous people must be allowed to develop and live as ordinary Canadian citizens, and be treated under the ordinary provincial jurisdictions of this country, whether they be Indians or Eskimos.

That is to say, they should eventually fall within the welfare provisions, the educational provisions and the provisions affecting natural resources which fall under provincial jurisdiction. I submit that the principle adduced by Mrs. Fairclough in her statement in 1960 is as valid in affecting the Eskimos as it is valid in affecting the Indians. For the hon. member for Yukon to try to introduce a legalistic distinction as affecting that principle surely is a late evening whimsy on his part.

The right hon. Leader of the Opposition said earlier today that we must not treat the Eskimos as voiceless serfs, as pawns, as political captives; and I could not agree more. As I understand it, the policy of the government with respect to the Indians and our native peoples is that they shall no longer remain as second class citizens; they shall no longer remain as wards of the federal government; they shall no longer remain as pawns, but shall be allowed to run the ordinary course of development as citizens, having the same rights and bearing the same responsibilities as any other Canadian. It is because that is envisaged within the negotiations undertaken by the federal government with the province of Quebec with respect to the Eskimos that the purpose of these negotiations, if they are ever to mature, surely is to emancipate the Eskimos as we hope one day to emancipate the Indians from federal trusteeship and allow them to develop as ordinary citizens in this country.

Mr. Howard: Only if they agree.

Mr. Turner: The hon. member raises, probably by way of mental telepathy that is a product of a sensitive spirit, the next point I was going to make. This is our concern. We want the Eskimos to be brought into the 20th century; we want to encourage them to develop themselves as fully-fledged citizens of Canada, which means that eventually they must take the responsibility not only as citizens of this country but of their respective provinces. But we want to insist, and we have insisted, on certain guarantees before any transfer is effected. Those guarantees, which we are in the midst of negotiating, I would submit to the committee were set forth in the memorandum to which I referred earlier, namely the memorandum that my minister gave to this house on March 4; that the cultural and economic ties of the Eskimos throughout the north would not be broken; that the Quebec government would respect the Eskimo language and the religion to which they belong; that the Eskimos, after the transfer, would continue to enjoy at least the same services as they are now receiving. In other words, it was an integral part of any agreement to be negotiated with the province of

Quebec that the same rights, the same services would be guaranteed to that northern, minority people.

The principle of self-determination has been raised and echoed in this chamber this evening. My minister made it quite clear that the governments of Canada and Quebec were to undertake to consult jointly with the Eskimos. What did this consultation mean? The statement has been read several times in this chamber. The hon. member for Yukon looks at me knowingly again. He knows exactly what those words mean. They are too clear to be mistaken except by a man who wants to mistake them.

Mr. Nielsen: I am waiting for your interpretation.

Mr. Turner: Consultation in an impartial fashion means that a commission, which would be chosen jointly by both governments—

Mr. Nielsen: Will there be Eskimos on it?

Mr. Turner: This is a matter to be determined, as the minister suggested.

Mr. Nielsen: He has done nothing of the kind.

Mr. Turner: Mr. Chairman, it is getting late in the evening and I know the hon. member for Yukon likes to maintain his seat and exercise his voice. But he must opt too; either speak, or sit. I do not say that unkindly.

Mr. Aiken: It might be the same thing.

Mr. Pugh: Why don't you say something while you are on your feet?

Mr. Turner: Mr. Chairman, it is strange how good humour increases on the other side as the hour gets later.

The consultation would take the form of a commission chosen jointly by the two governments. Any agreement, before execution, would be submitted to the Eskimos, explained to them and interpreted to them. They would be asked for their views.

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

Mr. Turner: Perhaps the hon. member would allow me to finish. Their views would be sought, and if as a result of those views, as a result of the expression of opinion from the Eskimos in the north, in Ungava and northern Quebec, the federal government deemed that modifications or changes to any draft agreement, if and when it is drafted, were necessary, those changes, to the best of my understanding, would be made. Let me say—

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

[Mr. Turner.]

Mr. Turner: I would appreciate it, Mr. Chairman, if the hon. member would allow me to finish. I know the impatience he has—

Some hon. Members: Oh, oh.

The Chairman: Order, please. The parliamentary secretary has the floor.

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

The Chairman: If the parliamentary secretary wished to accept a question, he would resume his seat. He has not done so, and therefore I presume he is not prepared to accept a question.

Mr. Turner: Mr. Chairman, the hon. member for Yukon reminds me a great deal of Pandora and the genie which escaped from her box. Once you open the box, it is very difficult to put the genie back in. Let me say, in all fairness, that I believe those on the government side gave a fair hearing both to the hon. member for Yukon and the hon. member for Northwest Territories and I would appreciate receiving, for a few more minutes, the kind attention that I am wont to receive from the other side.

Those are the principles that this government, as I understand it, are trying to achieve; namely, emancipation of the native indigenous peoples of this country so that eventually they will be governed as ordinary Canadian citizens under provincial jurisdiction right across the country. The same principle, the same services and the same rights would be guaranteed to these minority, native peoples by whichever provincial government assumes responsibility for their administration—not jurisdiction. Third, the views of these people will be obtained in as democratic a fashion as is practically possible.

Let me say a final word, Mr. Chairman. Ever since the Minister of Northern Affairs and National Resources assumed this portfolio he has given every consideration to this important question. I had the opportunity of being on the trip across the north with him last summer when, as the hon. member for Northwest Territories said, we bumped into him. I might say that not only did we bump into the hon. member for Yukon, but we could not shake him.

Mr. Nielsen: You are not shaking him now, either.

Mr. Turner: When my minister was up there he said on several occasions, and expressed it from his heart—and the right hon. Leader of the Opposition gave him credit for that this afternoon—that we want government, not by laws but by men. That was a sincere statement.

Mr. Nielsen: The other way around.

Mr. Turner: A government of men, not laws.

Mr. Nielsen: No, the other way around.

Some hon. Members: Oh, oh.

The Chairman: Order.

Mr. Turner: Mr. Chairman, I find it a strange thing that a subject that seems to have attracted the sincere discussion, criticism and opposition of men opposite, who are entitled to take that position, should be treated by them, when the government maintains and defends its case, in a sense of joviality and ridicule. It should be one thing or the other; either the committee takes this question of a minority people seriously, or it does not.

Mr. Starr: Your speech has been filled with fun.

Mr. Turner: If it does take it seriously, I would ask the concession of hon. members opposite to let me finish on this personal note. I have every confidence, as I am sure everyone in this house has, that the minister of northern affairs will see that justice is done to the Eskimos of northern Quebec, and that they are consulted within the full principle of democracy, and their views taken into account. I have no doubt of that, nor has any member on this side of the house; and if hon. members on the opposite side were to probe their consciences, neither have they.

In conclusion I should like to quote this evening's editorial in the Ottawa *Journal*, not necessarily a publication favourable to this government. The editorial is entitled "Nouveau Quebec" and I will read three paragraphs into the record, if I may:

> Outsiders should be careful, however, to note that the federal government is not insisting on maintaining its custodianship of Eskimos in the province of Quebec. The federal government knows well that in the constitutional or legal or geographic sense Quebec has the right to seek to take over this responsibility which some years ago it voluntarily rejected.
>
> The federal government properly asks, however, that the Eskimos suffer no infringement of their freedom of choice in religion, education and representation.
>
> It is a matter of basic principle, greatly complicated by ice, isolation, tradition, prejudice, economics and politics—a matter demanding the greatest of care and understanding.

In resuming my seat let me say that my minister and those who are negotiating with him have tried to maintain that care and understanding, and I would ask hon. members on the other side of the house to credit us with that and to devote to the problem the same non-partisan type of care and understanding.

Mr. Nielsen: While the hon. member is still on his feet would he permit a question which I wanted to ask him during his remarks. Would he not agree with me that the democratic thing to do would be to have representation on the commission to be appointed either from the Eskimo council or by their selection of an independent counsel?

Mr. Turner: There are several ways of going about this, and in the negotiations they are being considered. Whatever avenue is chosen in setting up this commission, I can assure the hon. member on behalf of the minister that the democratic principles to which he paid service tonight and to which we both adhere will be fulfilled.

Mr. Nielsen: Now will the hon. member answer the question I asked, if he cares to, namely whether he agrees that the Eskimo people should be represented on that commission.

Mr. Turner: I realize the impatience of the hon. member for Yukon if he does not get an answer which is satisfactory to him. In general this question has already been answered. Every opportunity will be given to the Eskimos to present their views to the commissioners, whoever they may be. Whether or not an Eskimo will become a member of the commission I cannot say, as the hon. member knows full well.

Mr. Howard: May I put a question to the parliamentary secretary. Is the effect of the intent of the memorandum which was put on *Hansard* on March 4 to consummate an agreement to transfer?

Mr. Turner: Is the hon. member asking me a question?

Mr. Howard: Yes.

Mr. Turner: That memorandum, as I understand it, forms the guidelines—it does not provide the exact language but it does form the guidelines—of any eventual agreement which is made or concluded between the two governments. That is all I can say to him, whether or not it is satisfactory to him.

Mr. Howard: If the hon. member would look at a few of the words contained in the memorandum for a moment I think he will agree that the government of Canada has committed itself to the principle of transferring jurisdiction first and foremost. Naturally I will have to extract sections from the text instead of reading the whole thing, but I do not think I am extracting them out of context. The first part concerns an agreement as to certain things. Then towards the end of the first paragraph, as reported at page 506 of *Hansard*, it says:

—Canada is prepared to have Quebec administer Eskimo affairs as part of Quebec's general administrative responsibilities in the province—

The memorandum says that it is an understanding reached at the February 29 meeting and that Canada is prepared to have Quebec administer these things. This is an intent which exhibits a desire on the part of Canada.

Then further on we come to point No. 3 of the matters which are understood, which refers to after the transfer has taken place, indicating that there will be a transfer. Then point No. 4 uses this expression—my grammar is not as good as that of the hon. gentleman who talked of indicatives, subjunctives and the like:

4. The governments of Canada and Quebec undertake to consult—

Then it explains the consultation and interprets it as—

—the communication of the terms of the agreement, excluding however the financial provisions thereof...will be made through a commission—

And so on.

Then further on in the same paragraph it says:

The functions of this commission will be to explain the conditions of the agreement—

So that both governments agree that such consultation is a prior condition of the execution of the agreement. There is nowhere a solitary word about the acceptance of that agreement. I submit that this, coupled with the reluctance, hesitancy and hiding of explanations given by the minister and his parliamentary secretary, indicates that there has been a sell-out of the rights and interests of these people.

Mr. Turner: Mr. Chairman, I rise to answer what began as a question and ended as a declaration. I must repeat that those items in the memorandum which the hon. member has just recited have to be read in conjunction with the preamble at the beginning of the statement of the minister, when he said:

The memorandum is not an agreement, nor is it an agreement to agree. It does constitute a statement outlining a consensus with respect to certain basic principles and conditions which, in the event of an agreement, are common to the two governments.

It is surely a common experience in negotiating a treaty, whether it be between two countries or an agreement between two provinces or a contract between two people, that in the midst of the negotiations you set out the terms which will be agreed on one by one; and if you finally get to the end of the agreement then you have the terms. But if you are not able to reach agreement, and in this instance if the federal government is not able to reach a satisfactory result with regard to minority rights, or the standard of services, or the method of consultation, or the financial provisions, then this whole series of items which the hon. member for Skeena read will be wiped out. These are statements of principle in general form which have been agreed on in the event that there is an eventual understanding between the two jurisdictions. If there is not, then it is all wiped out. That is the way I must explain the matter to the hon. member.

Mr. Howard: I have a supplementary question. Is it not a fact that the statement of the minister which appeared at the front of *Hansard* is merely his interpretation of what the understanding is, and that there is also another party to the agreement, the government of Quebec, which has its interpretation too? I submit that all we can concern ourselves with is, what does the understanding mean, what does the memorandum say, not what the minister thinks it says.

Mr. Laing: If I may reply at this time, I want to say that I regret very much that the hon. member for Skeena seems to be joining in the view taken by the hon. member for Yukon, namely that if you assert anything and it is not denied in the house it becomes a fact.

Mr. Howard: On a question of privilege, the minister should know full well that I have my own opinions and I do not have to join this element over here.

An hon. Member: It is mutual.

Mr. Laing: That statement seems to be agreeable to both sides of the house. I cannot help saying, however, that there is a likeness of attitude and I want to tell him that when he uses that kind of language he is not being fair to me and he is not being fair to himself.

Mr. Howard: You are not being fair to the Eskimo people.

Mr. Laing: There are three or four provisions included and I want to tell the hon. member that up to this time we have made practically no progress on them at all with the officials of the province of Quebec. I want to tell him that so far as the whole matter of financial arangements is concerned, we have not even had one single meeting on finance with any officials of the province of Quebec. So far we have not got to the point where we can agree that this memorandum and its provisions should be the basis for arrangements with the province of Quebec. Yet the hon. member gets up and asserts that in his judgment the Eskimos are already sold out. I want to assure him and the house, which is more important than he is, that

there are no arrangements at all, and in respect of the memorandum that we drew up we have made practically no progress at all.

Mr. Nugent: Mr. Chairman, I was delighted at the way the parliamentary secretary started his remarks, by talking about sophistry, because I was sure that before he would finish he would show that he is an expert in that regard. I was really deeply touched by his remarks with regard to getting information from the minister, with regard to questions being asked and the minister trying to supply information, because I am sure that the parliamentary secretary and the minister are aware that the main complaint we on this side of the house have been making, not only about his department but about all departments, is the lack of information; and the reason more progress has not been made on the estimates is that we have not got enough dentists on this side of the house. We cannot yank out the information.

To remind the minister of where he goes wrong, and as an example of his question answering, I would refer him to the 9th of March when I asked him if tenders had been called for 140 Eskimo houses to be delivered at Waterways. I got no answer that day. The next day the Speaker suggested that the question should go on the order paper. I explained the urgency and pointed out that the minister appeared to have the information ready and I thought there was a possibility that he was perhaps making a mistake. The minister then proceeded to answer and began with the words:

I am pleased to reply to the hon. member's argument.

He was pleased to reply to the argument. This is the usual thing. We call for information and we get an argument. To this day there is no answer to my question on record in the house. I will admit that a week or so later when the minister was passing my door he was courteous enough to tell me that the number was 104, not 140, but there is nothing on the record to show it, and until he answered a question asked by an N.D.P. member there was nothing to show they were going to be delivered at Waterways. The urgency is borne out because I have just found out that the minister has put out a tender for another 75 houses to be delivered at Waterways.

Considering that it is one month to the day since I asked my question, and considering the length of time we have been trying to get some straight answers out of the government, I think that the remarks of the parliamentary secretary in making a speech of that kind constitute nothing more than effrontery. Since I am dealing with the matter of these houses, Mr. Chairman, I should like to make the further point that it is not just a matter of getting some information but rather of getting the right information. When the minister said he would answer my argument he did not give the information asked for. He proceeded to give me some freight rates, on which he based his contention that the government was proceeding the right way, but every item of information he supplied was inaccurate.

He gave a truck rate to Hay River of $2.85 per hundredweight. I got a telegram the next day from the main trucker there saying that the truck rate was $1.70. The minister gave rates by barge which did not apply to that class of goods. He gave rates by rail which were out of line. In other words, every figure supplied by the minister was inaccurate. Yet they ask us to take their word that they are trying to give us information. We were given all this gratuitously by way of argument advanced by the minister. What I wanted to know was whether the government was really buying them. I wanted some information so I would know whether they were going to proceed further, but all I got was an argument and incorrect information.

Not only is the information inaccurate but it is silly, because between shipping by way of Yellowknife or Hay River or Waterways the information he gave works out to a difference of $20 per ton, and if the minister knows anything at all about the Northwest Territories he should know that the rates each way are competitive, or else all the goods would go one way. With a difference of $20 per ton it would be silly of anyone to think that he could compete going a different way. Not only was the information gratuitous and inaccurate but it was stupid, and it simply shows that the minister is so careless he does not care what type of information he gives the house.

There is another point which I have mentioned before. The department says it has a rule that it favours neither Yellowknife Transportation nor Northern Transportation and I have thought over the years that the department has tried to carry out fairly a policy of giving freight 50-50 to these two companies. In this instance the houses are to be delivered at Waterways where only Northern Transportation can operate, so they are not trying to be fair at all.

If the minister was at all concerned about the accuracy of his information and what it does to the people in my area he would know that by quoting figures as erroneous as these, which make it seem advantageous to ship by way of rail to Waterways, he is doing the greatest possible damage to all the truckers operating out of Edmonton. The parliamentary

secretary to the minister has tried to persuade us that they have some regard for the rights of people, including the Eskimos. I suggest that if they have any regard for the rights of people they should at least check their information and make sure they are not harming the truckers of Edmonton in the way they have by trying to discourage any shipper in Canada from shipping by that route. May I call it ten o'clock, Mr. Chairman?

Progress reported.

Resolutions adopted in committee of supply this day reported and concurred in.

BUSINESS OF THE HOUSE

Mr. Starr: May I ask the house leader whether the program he outlined the day before yesterday still stands for tomorrow or whether he wishes to make some revision, and also what the program may be for Monday?

Mr. Favreau: I am afraid the program for tomorrow will be desperately the same as it has been in the course of the last few days. I hope that the debate on the supplementary estimates will end tomorrow. If there is some time left during the day, then we would take second reading of the pension plan. Then, on the first and second full days that are available we will continue the budget debate.

Mr. Howard: I wonder if I could ask the minister if, in order to get these estimates through, he would explore the possibility of the house being willing to sit on Friday night and then on Saturday?

Mr. Favreau: I could not agree more, Mr. Speaker.

It being two minutes after ten o'clock the house adjourned, without question put.

[The following items were passed in committee of supply this day]:

DEPARTMENT OF NATIONAL REVENUE

Customs and excise divisions—

5e. Inspection, investigation and audit services, $90,000.

Taxation division—

20e. General administration, $70,000.

DEPARTMENT OF NATIONAL HEALTH AND WELFARE

1e. Departmental administration, $19,000.

National health branch—

5e. Health services, including assistance to the provinces—Administration, $20,000.

25e. Health services, including assistance to the provinces—To authorize hospital construction grants to the provinces, the Northwest Territories and the Yukon Territory upon the terms and in the amounts detailed in the estimates and under terms and conditions approved by the governor in council, $2,000,000.

30e. Medical services—Operation and maintenance, $950,000.

National research council, including the medical research council—

5e. Construction or acquisition of buildings, works, land and equipment, $1,125,000.

DEPARTMENT OF NATIONAL DEFENCE

Royal Canadian Air Force—

35e. Operation and maintenance, $13,653,000.

Pensions and other benefits—

86e. To deem for purposes of the Public Service Superannuation Act, such persons as the treasury board may prescribe who, upon ceasing to be public service participants, were entitled under the Canadian Forces Superannuation Act or the Defence Services Pension Continuation Act to an annuity, to be or to have been elective public service participants during a period prescribed by the board, $1.

HOUSE OF COMMONS

Friday, April 10, 1964

The house met at 11 a.m.

STANDING COMMITTEES

Mr. J. E. Walker (York Centre) presented the second report of the special committee appointed to prepare and report lists of members to compose the standing committees of the house, as follows:

PRIVILEGES AND ELECTIONS

Messrs:

Armstrong
Balcer
Beaule
Brewin
Cameron (High Park)
Cashin
Crossman
Doucett
Drouin
Dube
Francis
Girouard
Greene
Howard
Jewett, Miss
Lessard (St. Henry)
Macquarrie
Marcoux
More
Moreau
Nielsen
Nugent
O'Keefe
Paul
Plourde
Rapp
Rochon
Valade
Woolliams—29.

(Quorum—10)

RAILWAYS, CANALS AND TELEGRAPH LINES

Messrs:

Addison
Armstrong
Asselin (Notre Dame de Grace)
Balcer
Basford
Beaule
Bechard
Belanger
Bell
Berger
Boulanger
Cadieu (Meadow Lake)
Cameron (Nanaimo-Cowichan-The Islands)
Cantelon
Cooper
Cowan
Crossman
Crouse
Emard
Fisher
Foy
Godin
Granger
Greene
Guay
Horner (Acadia)
Howe (Wellington-Huron)
Irvine
Kennedy
Kindt
Korchinski
Lachance
Lamb
Laniel
Latulippe
Lessard (St. Henry)
Macaluso
MacEwan
Mackasey
Marcoux
Matte
McBain
McNulty
Millar
Olson
Orlikow
Pascoe
Prittie
Rapp
Regan
Richard
Rideout
Rock
Ryan
Southam
Stefanson
Stenson
Tucker
Watson (Chateauguay-Huntingdon-Laprairie)
Willoughby—60.

(Quorum—20)

MISCELLANEOUS PRIVATE BILLS

Messrs:

Aiken
Alkenbrack
Basford
Belanger
Cameron (High Park)
Cantelon
Chapdelaine
Coates
Cooper
Cowan
Deachman
Ethier
Forbes
Foy
Francis
Gelber
Gray
Groos
Harley
Honey
Horner (The Battlefords)
Jewett, Miss
Kennedy
Klein
Konantz, Mrs.
Lambert
Lessard (Lake St. John)
Lloyd
Loney
Macdonald
Martin (Timmins)
Mather
McCutcheon
McLean (Charlotte)
McMillan
Mitchell
Moore
More
Nixon
Ormiston
Otto
Paul
Perron
Rock
Roxburgh
Simpson
Southam
Tucker
Webb
Webster—50.

(Quorum—15)

BANKING AND COMMERCE

Messrs:

Aiken
Addison
Armstrong
Asselin (Notre Dame de Grace)
Bell
Cameron (High Park)
Cameron (Nanaimo-Cowichan-The Islands)
Caouette
Casselman, Mrs.
Chaplin
Chretien
Cote (Chicoutimi)
Crossman
Crouse
Danforth
Douglas
Flemming (Victoria-Carleton)
Gelber
Gendron
Grafftey
Gregoire
Habel
Hahn
Hales
Jewett, Miss
Kelly
Kindt
Klein
Leblanc
Lloyd
Mackasey
Matte
McCutcheon
McLean (Charlotte)
Monteith
More
Moreau
Morison
Olson
Otto
Pascoe
Ryan
Rynard
Scott
Tardif
Thomas
Vincent
Wahn
Whelan
Woolliams—50.

(Quorum—15)

PUBLIC ACCOUNTS

Messrs:

Baldwin
Basford
Beaule
Berger
Cameron (High Park)
Cameron (Nanaimo-Cowichan-The Islands)
Cardiff
Chaplin
Cote (Chicoutimi)
Crouse
Drouin
Dube
Eudes
Fane
Forbes

Standing Committees

Frenette
Gendron
Grafftey
Gray
Hales
Harkness
Lessard (St. Henry)
Loiselle
Mandziuk
McLean (Charlotte)
McMillan
McNulty
Muir (Lisgar)
O'Keefe
Pigeon
Pilon
Regan
Ricard
Richard
Rinfret
Rochon
Rock
Rondeau
Ryan
Scott
Skoreyko
Smith
Southam
Stefanson
Tardif
Tucker
Valade
Wahn
Whelan
Winch—50.

(Quorum—15)

AGRICULTURE AND COLONIZATION

Messrs:

Alkenbrack
Armstrong
Asselin (Richmond-Wolfe)
Barnett
Bechard
Beer
Berger
Cadieu (Meadow Lake)
Cardiff
Choquette
Crossman
Cyr
Danforth
Dionne
Doucett
Drouin
Emard
Ethier
Forbes
Forest
Forgie
Gauthier
Gendron
Groos
Gundlock
Honey
Horner (The Battlefords)
Horner (Acadia)
Howe (Wellington-Huron)
Jorgenson
Konantz, Mrs.
Lamb
Langlois
Laverdiere
Madill
Mather
Matheson
Matte
McBain
Moore
Mullally
Nasserden
Noble
O'Keefe
Olson
Ouellet
Pennell
Peters
Pigeon
Rapp
Ricard
Rochon
Roxburgh
Southam
Tardif
Temple
Vincent
Watson (Chateauguay-Huntingdon-Laprairie)
Watson (Assiniboia)
Whelan—60.

(Quorum—20)

STANDING ORDERS

Messrs:

Asselin (Notre Dame de Grace)
Baldwin
Boulanger
Casselman, Mrs.
Chapdelaine
Forest
Guay
Horner (Jasper-Edson)
Kelly
Lessard (St. Henry)
Loiselle
Mandziuk
More
Morison
Perron
Pugh
Rinfret
Southam
Temple
Winch—20.

(Quorum—8)

MARINE AND FISHERIES

Messrs:

Armstrong
Barnett
Basford
Bechard
Belanger
Bigg
Blouin
Cadieu (Meadow Lake)
Cashin
Chatterton
Coates
Crouse
Cyr
Danforth
Dionne
Dube
Foy
Godin
Granger
Groos
Howard
Lachance
Leduc
MacLean (Queens)
Macquarrie
Mather
McLean (Charlotte)
Mullally
Noble
Patterson
Pugh
Rheaume
Stefanson
Tucker
Whelan—35.

(Quorum—10)

MINES, FORESTS AND WATERS

Messrs:

Alkenbrack
Asselin (Richmond-Wolfe)
Barnett
Berger
Blouin
Caouette
Coates
Cyr
Deachman
Dinsdale
Fleming (Okanagan-Revelstoke)
Gendron
Godin
Grafftey
Gray
Gregoire
Habel
Harley
Herridge
Leboe
Leduc
Loney
Martin (Timmins)
Martineau
McBain
Mitchell
Moreau
Muir (Cape Breton North and Victoria)
Rheaume
Rideout
Roxburgh
Simpson
Stenson
Turner
Watson (Chateauguay-Huntingdon-Laprairie)
—35.

(Quorum—10)

INDUSTRIAL RELATIONS

Messrs:

Barnett
Basford
Bell
Chretien
Cyr
Dionne
Emard
Frenette
Foy
Godin
Grafftey
Gray
Greene
Habel
Irvine
Knowles
Lachance
Latulippe
Laverdiere
Lessard (St. Henry)
MacInnis
Mackasey
McNulty
Millar
Mitchell
Muir (Cape Breton North and Victoria)
Muir (Lisgar)
Noble
Orlikow
Regan
Ricard
Rideout
Starr
Stenson
Weichel—35.

(Quorum—10)

DEBATES

Messrs:

Aiken
Batten
Cowan
Howard
Lambert
Langlois
MacNaught
Nugent
Paul
Prud'homme
Rinfret
Rouleau—12.

(Quorum—7)

ESTIMATES

Messrs:

Armstrong
Blouin
Boulanger
Boutin
Brown
Cadieu (Meadow Lake)

Cameron (High Park)	Loiselle
Cantelon	Madill
Cashin	Mandziuk
Chatterton	Matte
Coates	McCutcheon
Cote (Longueuil)	Muir (Lisgar)
Cote (Chicoutimi)	Mullally
Danforth	Nasserden
Douglas	Nixon
Ethier	Nowlan
Fane	O'Keefe
Fleming (Okanagan-Revelstoke)	Orlikow
Forest	Otto
Forgie	Perron
Francis	Peters
Girouard	Pilon
Grafftey	Prud'homme
Guay	Richard
Hales	Rochon
Honey	Rondeau
Howe (Wellington-Huron)	Roxburgh
Howe (Hamilton South)	Rynard
Jorgenson	Skoreyko
Kelly	Starr
Leblanc	Stefanson
Leboe	Tardif
	Whelan
	Woolliams—60.

(Quorum—20)

VETERANS AFFAIRS

Messrs:

Asselin (Richmond-Wolfe)	Latulippe
Cameron (High Park)	MacEwan
Chatterton	MacRae
Clancy	Madill
Emard	Martin (Timmins)
Fane	Matheson
Fleming (Okanagan-Revelstoke)	McIntosh
Forgie	Millar
Frenette	Morison
Greene	Nesbitt
Groos	O'Keefe
Habel	Otto
Harley	Patterson
Herridge	Pennell
Honey	Pilon
Howard	Pugh
Kelly	Rideout
Kennedy	Rock
Laniel	Temple
	Thomas
	Weichel—40.

(Quorum—15)

PRINTING

(Members to act on the part of the Commons)

Mr. Speaker and Messrs:

Boutin	Laverdiere
Cadieux (Terrebonne)	Leblanc
Cardiff	Loiselle
Choquette	Ormiston
Clancy	Ouellet
Cooper	Pascoe
Cote (Longueuil)	Prittie
Cowan	Richard
Drouin	Rochon
Ethier	Simpson
Kennedy	Scott—23.
Lamb	

LIBRARY OF PARLIAMENT

(Members to act on the part of the Commons)

Mr. Speaker and Messrs:

Baldwin	Casselman, Mrs.
Boutin	Chapdelaine
Brown	Chatterton
Cadieux (Terrebonne)	Choquette
Cote (Longueuil)	Honey
Crossman	Konantz, Mrs.
Enns	Laniel
Fairweather	Macquarrie
Fisher	Martineau
Fleming (Okanagan-Revelstoke)	Mullally
	Wahn—21.

RESTAURANT

(Members to act on the part of the Commons)

Mr. Speaker and Messrs:

Boulanger	Horner (The Battlefords)
Cardiff	Irvine
Cowan	Konantz, Mrs.
Cyr	Lessard (Lake St. John)
Doucett	Martin (Timmins)
Ethier	Matheson
Fairweather	McNulty
Fane	Peters
Forgie	Rinfret
Gauthier	Slogan
Gelber	Tucker
Gundlock	Whelan—25.
Hales	

Mr. Walker moved that the report be concurred in.

Motion agreed to.

Mr. Pickersgill: If I may have the unanimous consent of the house I should like to move that a message be sent to the Senate to acquaint Their Honours that this house will unite with them in the formation of joint committees of both houses with respect to the library of parliament, the printing of parliament and the restaurant of parliament, and that the members to serve on each of the said committees on the part of this house will be as contained in the second report of the special committee presented this day.

Motion agreed to.

BUSINESS OF THE HOUSE

EXTENSION OF HOURS OF SITTING THIS DAY

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, standing order 41 provides a procedure by which the house can deal with the hours of sitting. I do not wish to move a formal motion at this point but I should like to propose, and I hope it will be agreeable to hon. members, that in order to make progress with the supplementary estimates the house should sit this evening.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): We are perfectly agreeable to that. I think it is a proper suggestion on the part of the Prime Minister, and it will receive our full support.

Mr. Stanley Knowles (Winnipeg North Centre): The suggestion the right hon. gentleman has just put forward was made from this corner last night. We agree.

Mr. A. B. Patterson (Fraser Valley): We are quite prepared to go along with this suggestion and do our part in facilitating the passage of the estimates.

Mr. Raymond Langlois (Megantic): We are prepared also to facilitate the passage of these estimates.

Mr. Speaker: I understand that by unanimous consent the house will sit this evening from 7 to 10 p.m. Is that agreed?

Some hon. Members: Agreed.

EXTERNAL AFFAIRS

CYPRUS—REQUEST FOR INCREASED NUMBER OF CANADIAN TROOPS

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs arising out of certain questions asked yesterday and the suggestion on his part that Canada was giving consideration to providing additional forces to the United Nations force in Cyprus. Would he let the house know what the situation is in this connection? Also, does he agree with mounting public opinion to the effect that the willing shoulders of Canada are already bearing our share of the United Nations force, a larger share than that of any other nation, with the exception of the United Kingdom; that it has accepted its full and complete share, and that any additional troops should be provided by other members of the United Nations?

Some hon. Members: Hear, hear.

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, in reply to the right hon. gentleman's question I can assure him, as I have already indicated elsewhere, that Canada does feel that other members of the United Nations ought to share in the obligations which are imposed on them under the charter of the United Nations.

I can confirm that we have received a request from the secretary general for additional personnel. We hope to be able to deal with this matter very shortly. The request we have received is not in the same category as that which has been addressed by the secretary general to the governments of Sweden, Finland and Ireland. The request to those governments is for additional ground troops and is part of the secretary general's attempts to bring the non-British component of the United Nations force up to the 3,500 level originally envisaged.

The request to Canada is for brigade headquarters staff, a function which up to now has been discharged by United Kingdom forces. Both requests form part of the field reorganization which General Gyani is putting into effect as the international force is gradually phased in to take over some staff and peace keeping functions previously undertaken by British forces.

Mr. Diefenbaker: What would be the number of brigade staff that is being asked for; would it be less than 100?

Mr. Martin (Essex East): It would be slightly over 100 but less than 150.

Mr. Diefenbaker: Would the minister say what representations have been made to the secretary general requesting that he endeavour to secure forces from other members of the United Nations? Because it seems, in view of the course being followed now, that it is only the willing that provide and the unwilling stand by.

Mr. Martin (Essex East): Mr. Speaker, I am sure my hon. friend will recognize in that generalization he has simply expressed an impulse of human nature.

Some hon. Members: Hear, hear.

Mr. Mandziuk: Don't you share it?

Mr. Martin (Essex East): Canada, however, as he has properly noted, has not shirked its responsibilities. We have made strong representations to the secretary general of the United Nations that he should solicit, as indeed he is doing, the contributions of other countries. We ourselves only this morning have been engaged in that process with two other countries.

Mr. Diefenbaker: Mr. Speaker, may I thank the minister for the impulsive nature that he exercised in doing that.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, the minister mentioned a force of 3,500. I rather assume that he meant 7,500.

Mr. Martin (Essex East): I was referring to the desire, pursuant to the resolution of the security council, to reduce the British force from 7,000 to 3,500 and bring the United Nations force up to 3,500 to reach the total of 7,000, the maximum provided for in the security council resolution.

[*Translation*]

Mr. Raymond Langlois (Megantic): Mr. Speaker, I want to ask the Secretary of State for External Affairs a question.

According to an article in *Le Devoir* this morning, the secretary general of the United

Nations is said to have asked Canada to send another Canadian unit to Cyprus in the near future.

Can the minister tell us what his intentions are in this respect?

Mr. Martin (Essex East): I answered the same question at the request of the right hon. Leader of the Opposition (Mr. Diefenbaker), a few moments ago.

[*Text*]

SOCIAL INSURANCE

MANITOBA—LETTER TO TEACHERS RESPECTING APPLICATION CARDS

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): I have a question for the Minister of Labour. Did the minister authorize the national unemployment insurance commission office in Winnipeg to present an ultimatum to the teachers of Manitoba requiring them to fill out applications for social insurance numbers within a week of notification, and declaring it an offence if they failed to comply?

Hon. A. J. MacEachen (Minister of Labour): No, Mr. Speaker.

Mr. Churchill: A supplementary question. Did the employment insurance office, without any authority, send a letter dated March 28, 1964 to the teachers of Manitoba on this particular subject? Was that without any authority whatever from the minister?

Mr. MacEachen: Mr. Speaker, I do not think any such instruction or ultimatum was sent out. There was a letter sent out by the commission in which, as I understand it, instructions were included covering the social insurance registration program. One part of the instructions was a section dealing with the book renewal aspect, which is mandatory. Beneath that description was a sentence to the effect that failure to comply was an offence. I think that statement applied only to the book renewal aspect of the program and has been misinterpreted to include the whole program.

The situation is as I have stated. Only those in the insured population are obliged to apply; others are free to do so. In this case it will be my wish that the teachers would come forward and register even though they are not compelled to do so.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I think this matter requires a further statement on the part of the minister. I have before me the notice of registration which reads as follows:

> The new system includes issuance of a "social insurance" number to all employed persons, whether covered by unemployment insurance or not. It will be broad enough and flexible enough to be adapted to the record keeping required for the proposed pension plan and other social security measures.

Then after all that is set forth, at the foot of the page in large letters appear the words:

> It is an offence to fail to comply with this request.

There can be no misunderstanding that that covers the whole record.

Mr. MacEachen: The sentence in that case is intended to apply only to the preceding sections dealing with the book renewal program, as I indicated. I have not the form in front of me but I examined it yesterday with the commission, and as I recollect it the section the right hon. gentleman read has application only to the preceding section dealing with the book renewal program. In other words it is dealing with the mandatory aspect of the program applying to the insured population.

If there is any misunderstanding arising from the large print that is employed I should like to remove it simply by repeating what I have already stated in the house, that teachers are not obliged to come forward and no instructions have been sent out to that effect. It is my wish that they will come forward and apply for social insurance numbers.

Mr. Diefenbaker: You should be a little more careful with the printing.

Mr. Nicholas Mandziuk (Marquette): A supplementary question. Might I ask the Minister of Labour whether he would be good enough to give instruction to the national unemployment insurance office in Winnipeg to circularize the teachers in the districts to which these directives have gone in order to allay the anxiety of the teachers concerned. They are really disturbed about it, as is shown by the telegram which has been received. I think a directive from the minister would help to allay their fears. If this is on a voluntary basis, that is fine—

Mr. Speaker: Order. The hon. member for Port Arthur.

Mr. Mandziuk: On a point of order, Mr. Speaker, I must say this matter is urgent, as I think the telegram indicates. I think the minister should make a statement so the teachers of Manitoba would understand.

Mr. Speaker: The hon. member has made his point very clear, and it seems to me the minister gave a long detailed reply which will be published across the country.

Mr. Mandziuk: I made my point, but the minister did not.

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to put a question to the Prime Minister. Could he tell the house whether the provinces have been consulted regarding the compulsory registration imposed by Ottawa by means of numbered social security cards?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): Not to my knowledge, Mr. Speaker; and I would not, on the face of it, think this is a matter that would require such consultation. But I will be glad to look into it.

[*Translation*]

Mr. Pigeon: Mr. Speaker, I have a supplementary question for the Prime Minister. In view of the general protest, does the government intend to bring this matter before parliament before requiring Canadian citizens to fill out this card?

[*Text*]

Mr. Pearson: Mr. Speaker, the hon. gentleman's question is based, as is so often the case, on false assumptions.

[*Translation*]

Mr. Pigeon: Mr. Speaker, I rise on a question of privilege.

[*Text*]

Some hon. Members: Oh, oh.

Mr. Speaker: Order, please. If the hon. gentleman poses rather provocative questions, he must expect from time to time to get rather sharp answers. I do not think it is in order to rise on a point of order or question of privilege on every second question.

[*Translation*]

Mr. Pigeon: Mr. Speaker, I rise on a question of privilege. It is my duty to direct questions to the Prime Minister and to any member of the cabinet. If I am out of order it is your responsibility to deal with the matter, and I shall abide by your ruling, provided it is fair and reasonable. But as a member of parliament I cannot accept the arrogant answer of the Prime Minister of Canada, who should set an example in this house and answer the questions we ask him.

[*Text*]

Some hon. Members: Order.

Mr. Speaker: Order.

LABOUR RELATIONS

GREAT LAKES—INQUIRY AS TO STATUS OF MR. MCLAUGHLIN

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): I should like to direct a question to the Minister of Labour which may seem to be a matter of ancient history, but is relevant to what is happening today in the labour dispute on the great lakes. In the report the government received from Mr. Robinette and another lawyer concerning possible prosecution of Mr. Banks, is there any recommendation regarding Red McLaughlin?

Hon. A. J. MacEachen (Minister of Labour): I have not seen any of these reports because they have been given to the Minister of Justice. I think he would have to deal with the question.

Mr. Fisher: Has the minister satisfied himself that the man who has now been placed at the head of the S.I.U. by the trustees is not going to be faced with charges of conspiracy to assist Mr. Banks in the assault of Mr. Greaves or for the conversion of funds of the union within the next month or two?

Mr. MacEachen: Of course the preliminary statements about the gentleman in question are quite incorrect.

Mr. Fisher: Why?

Mr. MacEachen: Mr. McLaughlin has not been placed in the presidency by the trustees, and will not be placed there by the trustees. He is not the president.

Mr. Fisher: On a point of order, Mr. Speaker, I did not say he was placed as president.

Some hon. Members: You did.

Mr. Fisher: I said that in effect he is in charge of the union.

Mr. MacEachen: That is incorrect also.

Mr. Fisher: I would like an answer to the question. I should like to know if the minister can tell us whether the government apprehends that this man may be facing criminal charges, as is his predecessor in terms of control of the union.

Mr. MacEachen: The charges that have been placed in connection with the S.I.U. are very well known to all hon. members in the house. A question along the same line was asked a day or two ago by the Leader of the Opposition.

Mr. Fisher: May I ask a supplementary question. Surely we still have not got an answer from the minister. Has McLaughlin,

to the minister's satisfaction, been cleared of any question of wrongdoing in connection with the charges that have been laid against Mr. Banks?

Mr. MacEachen: It ought to be apparent to the hon. gentleman that it is the courts of the country that decide these matters and not the Minister of Labour.

Mr. Fisher: May I ask a supplementary question.

Mr. Speaker: Order, please. I do think the hon. member is pressing this line of questioning a little too far. This matter has been under quite detailed discussion during the last two or three days, and his question is becoming almost hypothetical. If he has a point of order, let him raise it. I think he should stop this line of questioning.

Mr. Fisher: The reason I am asking this question, and I want an answer if I can possibly get it, is that I have been informed this morning the Royal Canadian Mounted Police have been told to go slow on the investigations they have been making with regard to things in connection with McLaughlin.

Mr. Pearson: Who told you?

Mr. Fisher: I do not have to say who told me.

An hon. Member: Hearsay.

Mr. Fisher: There is a great deal of hearsay in this matter, but I think we need to have the position of the minister clear. What is the government's view of Mr. McLaughlin? All he has given to us has been Mr. Millard's view, and I want to know the government's view.

Mr. MacEachen: It is quite true that I have been giving the view of the trustees with regard to Mr. McLaughlin, because the trustees have been given that authority by the parliament of Canada.

Mr. Fisher: Well, we will try to withdraw it.

Hon. Paul Martineau (Pontiac-Temiscamingue): May I ask a supplementary question of the Acting Minister of Justice. Have orders been given to the R.C.M.P. to go slow in their investigation of Mr. McLaughlin?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I will be glad to look into that matter, but that is a conclusion made without any supporting evidence at all.

Mr. Martineau: On a question of privilege, the Prime Minister just said he will be glad to look into the matter, and then he went on to say that the allegation was made without substance. If he has not looked into the matter, how can he say the allegation has no substance?

Mr. Pearson: On a point of order, I said this was an allegation made without supporting evidence; and if and when statements are made in the house which reflect on the R.C.M.P. in this way and on the government's relationship with the R.C.M.P. there should be supporting evidence.

Mr. Martineau: On the same point of order, Mr. Speaker, I should like to point out to the Prime Minister that no reflection whatsoever was made on the R.C.M.P.

Some hon. Members: Oh, oh.

Mr. Martineau: I simply asked a question to get information. I submit that is strictly in accordance with the rules of the house, and the Prime Minister knows it.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, the minister said that McLaughlin should not be judged before his trial. Was Hal Banks not judged and removed from office by reason of the fact that the very same allegations were made by the judge against Banks as were made against McLaughlin, both being hoodlums?

Mr. MacEachen: Mr. Speaker, the question at issue involves charges before the courts of Canada, and I was asked whether those charges ought to be prejudged and used in any way to disqualify Mr. McLaughlin—

An hon. Member: What did you do with Banks?

Mr. MacEachen: —or any other person. So far as Mr. Banks is concerned, the trustees removed him from office not on the basis of prejudging charges in the courts in defiance of the bill of rights but on their own assessment of the situation.

An hon. Member: A sell-out to Hall.

Some hon. Members: Sell-out.

An hon. Member: United States domination.

Mr. Donald MacInnis (Cape Breton South): Mr. Speaker, a further supplementary question to the Minister of Labour. The Minister of Labour has indicated that the trustees were given authority by the parliament of Canada. Would he not agree that this authority given to them—

Mr. Speaker: Order. I must object to the form of the question. Perhaps the hon. member may wish to rephrase it. He is asking for a yes or no answer and giving a prejudged decision before asking the question. If he cares to rephrase the question it might be in order.

Mr. MacInnis: Since the trustees are not responsible for the change in administration with regard to the leadership of the S.I.U., in that the constitution of the S.I.U. is being followed; and since the trustees took the responsibility of putting in Mr. Turner as temporary leader of the S.I.U., is it not also their responsibility if Mr. McLaughlin takes over for Mr. Banks?

Mr. MacEachen: Mr. Speaker, that is an argumentative question which I am not obliged to deal with.

Mr. R. Gordon L. Fairweather (Royal): Mr. Speaker, I have a supplementary question. I wonder whether the Minister of Labour has seen the editorial entitled "The Sell-out" in the Kingston *Whig-Standard* of April 6, which asks why the trustees have suddenly abandoned the principle of firm opposition to any American interference in this affair? "The deal has been made and it smells", says the editorial.

Mr. MacEachen: No, Mr. Speaker, but I have seen editorials in the *Globe and Mail,* the Montreal *Gazette* and the Ottawa *Citizen* expressing the very opposite opinion.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I ask the Minister of Labour a question in this same field. It arises out of an answer he gave yesterday to the hon. member for Red Deer (Mr. Thompson). In view of the statement that the three men who signed the telegram in question, Michael Sheehan, John J. Wood and Omer Boudreau, are not currently members of the S.I.U., has he ascertained why they are not members of the S.I.U. at the present time? If they were expelled without the right of appeal, does he not feel that attention should be paid to their complaints about Mr. McLaughlin?

Mr. MacEachen: Yes, Mr. Speaker, I do feel that the complaints of any member or former member of the S.I.U. ought to be considered very carefully. I would agree with my hon. friend in this particular case that the membership of the gentlemen in question may be a matter of argument because it is a fact, for example, that Mr. Sheehan was a member of the S.I.U. and then became a member of the C.M.U., and it was because of this situation that that comment was indicated. This is a matter where reference to the trustees would check the statement made by the hon. member for Winnipeg North Centre.

Mr. Knowles: Is the minister aware they were both expelled and put on the d.n.s. list?

Mr. MacEachen: I appreciate that, and I indicated yesterday that the trustees were very anxious to right any injustice that may have arisen from use of the d.n.s. list, and indicated the procedure by which that might be done.

Mr. R. N. Thompson (Red Deer): Mr. Speaker, the question that I had intended to ask has just been asked by the hon. member for Winnipeg North Centre, but I would like to ask the Minister of Labour this question. In view of the fact that Michael Sheehan and John Wood were actually expelled from the S.I.U. by Hal Banks, does he not think that the answer he gave to the question yesterday covers over what is the whole crux of this matter? This is the problem we face in the S.I.U. at this time.

Mr. MacEachen: Mr. Speaker, there was no desire to cover over any aspect of the problem. I made a statement yesterday to the effect that the trustees were desirous of righting any wrong. If either of these gentlemen feel injustice through the application of the d.n.s. list, or through disqualification of membership, they ought to bring their case at once before the trustees, who are anxious to right any injustice. Certainly it was not my intention, by referring to the membership question, to suggest in any way that these persons should be denied any legitimate rights they have within the S.I.U.

Mr. Fairweather: As a further supplementary question—

Mr. Speaker: May I caution the hon. member for Royal. If he has a real supplementary of course it is in order, but if it is another statement I think we have had extended discussion already.

Mr. Fairweather: It is not a statement. Is McLaughlin now facing charges in any court in Canada?

Mr. MacEachen: Mr. Speaker, the hon. gentleman knows the answer to that question if he listened to the question put the other day by his leader.

Mr. MacInnis: Does the Minister of Labour now recognize d.n.s. lists as being in existence?

Mr. MacEachen: Mr. Speaker, I dealt with that question yesterday.

Mr. MacInnis: On a point of order, Mr. Speaker, the minister maintains that he dealt with this question yesterday.

Some hon. Members: Oh, oh.

Mr. MacInnis: It appears that we are in need of another St. Patrick. The minister maintains that he dealt with this question yesterday but I say, sir, that his answer of yesterday is not compatible with the answer he just gave to the hon. member for Winnipeg North Centre.

PRIVILEGE

MR. PIGEON—REMARKS IN DEBATE BY MEMBER FOR CARLETON

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): I rise on a question of privilege, Mr. Speaker. Yesterday I had to spend part of the day away from the house to preside over a debate organized by the St. Jean Baptiste societies of the Joliette diocese and, during that time, according to page 1963 of *Hansard*, the hon. member for Carleton (Mr. Francis) said some false things about me. He took advantage of my absence to do so.

Should he persist in his ways, I shall report him to Miss Charlotte Whitton, the mayor of Ottawa, who will take it upon herself to put him in his place and set him straight.

[*Text*]

Mr. Speaker: Order, please.

Mr. Pigeon: It was a stupid statement.

Mr. Speaker: Order, please. It is an important detail to point out to the house that the use of the term "false" is not parliamentary.

Mr. Lloyd Francis (Carleton): Mr. Speaker, if the hon. member has any particular point of detail on which erroneous information was supplied by myself or placed before the house, I would be obliged if he gave the particulars.

[*Translation*]

Mr. Pigeon: Mr. Speaker, I rose on a question of privilege. If the hon. member for Carleton persists with his false innuendoes, Miss Whitton will take it upon herself to put him in his place and chastise him.

[*Text*]

Mr. Speaker: The hon. member for Yukon.

Mr. Francis: Mr. Speaker—

Some hon. Members: Oh, oh.

Mr. Speaker: Order. I would like to get more and better co-operation from members of the house. The hon. member for Carleton.

Mr. Francis: Mr. Speaker, I believe the words used by the hon. member for Joliette-L'Assomption-Montcalm are unparliamentary. He said I made a false statement, and I ask him to withdraw it.

Mr. Monteith: Well, you did.

Mr. Speaker: The hon. member used the term "false" and I suggested to him that the word "false" is unparliamentary, and I would ask him to reconsider it.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): On a question of order, Mr. Speaker, when a member of parliament makes a statement regarding another member, which that other member regards as false, it is not unparliamentary. It is not hypocrisy, either, to say that.

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, I would like to say a word on the point of order raised by the Leader of the Opposition. I think if the right hon. gentleman will recall incidents that have happened before in the house, it will come to his memory that when one hon. member undertakes to suggest that another hon. member has said something that is false, it is up to him to prove it was a false statement by real evidence, and not simply to use an unparliamentary word as a form of innuendo.

My hon. friend from Carleton asked politely for the hon. member for Joliette-L'Assomption-Montcalm to state precisely what he had said that was false, and the hon. member replied by another insinuation and made no attempt whatever to substantiate his charge. Therefore I suggest the hon. member for Carleton is perfectly right in saying it was unparliamentary; but I know the hon. member for Carleton is a generous man and he is not going to waste the time of the house by asking for a withdrawal by the hon. member for Joliette-L'Assomption-Montcalm.

[*Translation*]

Mr. Pigeon: Mr. Speaker, I again rise on a question of privilege. The hon. member for Carleton said that my statements were in contradiction with those of my leader, but he did not quote any of these statements. Consequently, I advise the hon. member for Carleton that I will report him to Miss Whitton who will cure him of this nasty fault.

[*Text*]

Mr. Francis: Mr. Speaker—

Some hon. Members: Oh, oh.

Mr. Speaker: Order, please. In my opinion we have spent considerable time on this matter, and it may or may not be an important matter. I propose to examine the English and French texts. There may be a discrepancy between the wording of them, and the meaning of the word as translated into French may not be exactly what was intended. I shall examine the matter over the week end and give a decision on Monday.

MR. NIELSEN—REMARKS IN DEBATE BY MINISTER OF JUSTICE

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, I rise on a question of personal privilege, and

I do so because I must do so at the first opportunity. However, my question of privilege involves certain actions of the Minister of Justice and I shall make certain charges with respect to those actions, and I would prefer to wait until he returns to the house. If I have unanimous consent to raise the question when he does return, then I will not proceed now.

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, there is a real question of order here. The hon. member, like the rest of us, has an obligation under standing orders to be here in the house. The Minister of Justice is not here today; therefore nothing the minister said today could possibly raise a question of privilege. If the Minister of Justice said something yesterday when the hon. member, no doubt for a very good reason, was not in the house, he lost his opportunity to raise a question of privilege under the rules—

Mr. Churchill: Oh, no.

Mr. Pickersgill: —and it seems to me that the hon. member should deal with the matter in debate, just as many other hon. members do in these matters.

Mr. Nielsen: I was in the house at the time the remarks I intend to question were made by the Minister of Justice. But my question of privilege involves remarks which he did not make but which appear in *Hansard*. I do not wish to make these charges in the hon. gentleman's absence. I think I do have a valid question of privilege, though I would much prefer to raise it while the minister is in his place.

Mr. Speaker: May I suggest to the hon. member that he should not pursue this matter further in the absence of the Minister of Justice, which is right and proper, and that on the minister's return he should raise his question of privilege and I will do my best to give an impartial decision.

Mr. Nielsen: I just wanted to make sure I would have unanimous approval for following that course—

Mr. Speaker: My suggestion was made for the purpose of doing what was right, fair and impartial, and I do not think the hon. member should insist any further at the moment.

TRANSPORT

FREIGHT RATES AND RAIL LINE ABANDONMENT—STATEMENT BY MINISTER

On the orders of the day:

Mr. H. Russell MacEwan (Pictou): I have a question for the Minister of Transport. May I ask if he stated in Saskatoon on April 3 that the Canadian railways had agreed not to ask for a freight rate increase until after July 1? Also, was the hon. gentleman stating government policy when he said "There are going to be very, very few branch line abandonments in a hurry".

Hon. J. W. Pickersgill (Minister of Transport): The hon. member's question is perhaps not terribly urgent since it relates to something which happened on April 3, but I should like to answer it, if I may, by saying that I am very grateful to the Canadian railway association for agreeing to continue for another three months the suspension, which has already been in operation for a long time, of a rate increase granted by the board of transport commissioners in the hope that in this three months interval parliament will be permitted to consider the legislation on railways which the government would like to introduce.

With respect to the second matter, may I say it is not, of course, the government which abandons railway lines. It is the railway companies which abandon them after they have been allowed to do so under the law. All I was doing was expressing my own opinion that because of the benevolent policies initiated by the government of hon. gentlemen opposite and continued by this government, the railways had indicated what lines they wished to abandon, but did not proceed with those applications until the new legislation could be dealt with by parliament. It would therefore appear that there would be no abandonments in a hurry. It is also my opinion that even after that time there would be no abandonments in a hurry, particularly when one thinks of the traffic which the railways are carrying in western Canada at the present time.

NATIONAL DEFENCE

DISCLOSURE OF CONTENTS OF AMENDING LEGISLATION

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): I would refer the Minister of National Defence to the item on page 5 of last night's *Votes and Proceedings*, which indicates that he intends to present a bill to amend the National Defence Act. Can the minister assure the house that neither he nor anyone in his department has disclosed the contents of this bill? I ask this in the light of widespread reports as to the contents of this measure.

Hon. Paul Hellyer (Minister of National Defence): I do not think there is any secret whatsoever as to what the bill contains. It is designed to implement the policy set out in the white paper, to replace the present chiefs of staff committee and the chiefs of the individual staffs by a chief of defence staff and entrust him with the powers presently held by the others.

INQUIRY AS TO RECOVERY OF STOLEN ARMS AND AMMUNITION

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, my question is directed to the Minister of National Defence. Has the hon. minister anything to report to the house with regard to arms stolen from various armouries in the province of Quebec, as far as their being located and found is concerned?

Hon. Paul Hellyer (Minister of National Defence): I am not in a position to add anything further today, Mr. Speaker. I do not think there is anything I could usefully say that would help the situation.

REDUCTION IN PAY AND ALLOWANCES FOR SEA CADET OFFICERS

On the orders of the day:

Mr. Thomas M. Bell (Saint John-Albert): Mr. Speaker, may I address a question to the Minister of National Defence in connection with the naval economy drive and the resulting reduction of pay and allowances for sea cadet officers. Will the minister consider the effect of this, which takes away one third of the remuneration for which work has already been performed? Is the minister aware that this is daily affecting morale and efficiency and is bringing about resignations? This question is either for the minister or his associate minister.

Hon. Lucien Cardin (Associate Minister of National Defence): I will take the question as notice, Mr. Speaker.

HEALTH AND WELFARE

TORONTO—REQUEST FOR INCREASED HOSPITAL GRANT

On the orders of the day:

Mr. Reid Scott (Danforth): May I ask the Prime Minister a question. We have been waiting for some considerable time now for a statement by the Prime Minister on the hospital bed crisis in metropolitan Toronto. The last time he was asked a question about this the right hon. gentleman said he would consider the matter and make a statement later. May I ask if he is prepared to give us this information today?

Right Hon. L. B. Pearson (Prime Minister): I have the information, and I regret it has taken so long to answer the hon. member's question. This is a lengthy answer but it deals with a most important matter, so with the indulgence of the house I propose to read the reply.

The hon. member asked me to comment on the hospital shortage in Toronto and particularly the federal government's intent respecting federal construction grants to metropolitan Toronto hospitals. Hon. members are aware that the council of metropolitan Toronto and subsequently the council of Scarborough township spoke to ministers of the government—I believe they spoke to the Minister of National Health and Welfare—regarding an increase in bed grants within the last year. At the urging of members on this side of the house from the Toronto area, as well as some hon. members opposite, the government has studied the Agnew report indicating that hospital beds in the metropolitan area presently fall more than 2,000 short of requirements. This has been primarily caused by the population explosion in the Toronto suburbs and accentuated by the fact that the metropolitan government found it impossible to render assistance in this field from 1958 until earlier this year.

The federal government has for some months sought a fair way of assisting in a unique situation. Of course any solution would have to be on an across the country basis and not confined to one locality. The matter has been discussed with the responsible health ministers and in most cases with provincial premiers at the past two dominion-provincial meetings, without arriving at any solution. Indeed, more than one province has indicated strong disapproval of the suggestion of any proposed increase in grants, as providing increased pressure upon provincial treasuries to meet increased federal grants in a field which is considered primarily one of provincial responsibility.

Within the past few months the federal government, through the municipal loan fund, has assisted the municipal government to the extent of $29 million which has been used for projects other than hospital construction. In the opinion of the government, further federal assistance would not be warranted at this time.

Since 1948 more than $19,500,000 has been expended by the federal government for this purpose in metropolitan Toronto. The current commitment, extending for a five year period through to 1968, is augmented by a national health grant to help finance a home care program in metropolitan Toronto, announced on March 26 last, to take pressure off hospital beds for convalescents.

We understand, too, that the government of Ontario, in acknowledgement of its own special responsibility in the field, has developed a new program for low interest loans for construction in Ontario, intended to be of special assistance in the Toronto area.

Mr. Scott: I wonder whether in view of the length of that answer we might be permitted to comment on it, Mr. Speaker. I can only say this is an incredible response. Six months of labour, yet no action at all—

Mr. Speaker: Order. This is the question period, not a general debate.

Mr. Scott: May I ask the unanimous consent of the house to revert to motions so that we can discuss this fantastic answer?

Some hon. Members: No.

Mr. Andrew Brewin (Greenwood): A supplementary question. Does the Prime Minister not think, in view of the urgent need in the metropolitan area of Toronto, that more serious consideration ought to have been given to the grave problem he has discussed?

Mr. Pearson: Very serious consideration has been given to this matter which is the primary responsibility, of course, of the provincial government.

Mr. Brewin: Will the Prime Minister tell the house which was the one province which objected to further conditional grants being given for hospital construction?

Mr. Pearson: I said more than one province had objected.

Mr. Brewin: Which ones?

Mr. Pearson: Naturally I cannot give the names of provinces without consulting them and getting their agreement, because these objections were made known in confidential discussions between the federal government and provincial governments. However, I would be very glad to approach the provinces concerned and inquire if they would be willing to have their objections made known as expressed to us.

Mr. Scott: Would the Prime Minister indicate why he feels that this problem, which is an isolated one mainly affecting metropolitan Toronto, must be treated on an across the country basis?

Mr. Pearson: Mr. Speaker, I am sure there will be an opportunity to debate this very important matter before long.

[Mr. Pearson.]

POWER

PEACE RIVER—APPLICATION FOR CONSTRUCTION OF DAM

On the orders of the day:

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, yesterday I addressed a question to the Minister of Public Works through his parliamentary secretary regarding a possible licence in regard to the Peace river dam. I wonder whether today he is in the position to answer my question.

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, I have answered this question quite often. As the hon. member knows, the first problem involved here was to determine whether at the point of the dam the Peace river was navigable. This question has been disposed of. We are looking into this matter, because at this time we have not received any application from the province.

PENITENTIARIES

CORRECTION BY MEMBER FOR VANCOUVER EAST OF STATEMENT IN DEBATE

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I rise on a matter of privilege to make a correction and to extend my apologies to hon. members of this house for something I said the other day. I think this is something I should do, sir. The other day in the discussion on the supplementary estimates I was most emphatic in discussing the location of the women's penitentiary. I did so because of what I believed to be factual information that I had received from a very high source in the civil service.

I have since discovered, sir, that the information I was given was not correct. Therefore I wish to apologize to the house for having made certain statements relative to the department of psychology and psychiatry of Queen's University. I offer my apologies to the house for being so emphatic, but I believed what I said because of the source of my information. May I add, Mr. Speaker, that yesterday I sent my apologies to the vice chancellor of Queen's University.

NATIONAL REVENUE

QUEBEC—REQUEST FOR INCREASED NUMBER OF DISTRICT OFFICES

On the orders of the day:

[*Translation*]

Mr. Maurice Cote (Chicoutimi): Mr. Speaker, I should like to direct a question to the Minister of National Revenue. Can the

minister tell the house whether the government intends to redress the injustice with regard to the number of income tax district offices in Quebec and Ontario, since Ontario has 11 such offices and Quebec only four? four?

[*Text*]

Mr. Speaker: This is a question that should be put on the order paper.

PENSIONS

CANADA PLAN—REPORTED ONTARIO INTENTION NOT TO PARTICIPATE

On the orders of the day:

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I should like to ask the Prime Minister whether he has now received any communication from Premier Robarts of Ontario that the government of Ontario intends to set up its own provincial pension plan, or whether the government of Ontario has asked the Canadian government for any amendments to Bill No. C-75 that would meet the objections which Premier Robarts stated in his speech to the Canadian club.

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker, not as of 11 a.m. today.

CANADIAN CONSTITUTION

REQUEST FOR COMMENT ON SPEECH BY PROFESSOR LASKIN

On the orders of the day:

Mr. Robert C. Coates (Cumberland): Mr. Speaker, I have a question for the Prime Minister. Now that the Prime Minister has had an opportunity to read the comments of Professor Bora Laskin as reported in the Montreal *Gazette* of April 9, does he agree with him that the demands by Premier Lesage that Quebec be master in its own house are not in keeping with the British North America Act?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I have now had the opportunity of reading the press report of that statement. I do not think it is very wise to comment on press reports of statements made by private individuals outside this house.

INQUIRY FOR RETURNS

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I have a short question for the Secretary of State with reference to returns ordered by parliament in the last session. My information is that 45 of these returns have still not been presented to the house. Yesterday the Secretary of State said he would give a reply to the Leader of the Opposition as soon as possible. Can he now reply?

Hon. Maurice Lamontagne (Secretary of State): Unfortunately not, Mr. Speaker; I have not yet received a report.

AIR TRANSPORT

REPORTED REDUCTION IN SOUTHERN PRAIRIE SERVICE

On the orders of the day:

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I have a question for the Minister of Transport. Recently TransAir again reduced its schedules so that service is no longer provided from Winnipeg to Brandon, Yorkton and Regina. I wonder whether the Minister of Transport would care to review the agreement between TransAir and T.C.A. and give a report as to whether TransAir is living up to its obligations.

Hon. J. W. Pickersgill (Minister of Transport): Of course, Mr. Speaker, this is a contract between Trans-Canada Air Lines and TransAir, and it would not appear to me that I would have any right arbitrarily to review it. But I will be glad to ask Mr. McGregor whether he feels that the other company is living up to the obligations entered into with Trans-Canada Air Lines, and any reply Mr. McGregor can make on that matter I shall be glad to convey to the hon. gentleman.

Mr. Korchinski: A supplementary question, Mr. Speaker. I should just like to point out that this agreement was approved by order in council.

Mr. Pickersgill: Mr. Speaker, I do not wish to exercise any power that I have not got, but if the minister has any authority or any jurisdiction in the matter I will do whatever it seems proper for me to do, and will account to parliament for it.

BUSINESS OF THE HOUSE

REQUEST FOR EARLY ORGANIZATION MEETINGS OF COMMITTEES

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the hon. member for York Centre in his capacity as chief government whip. Now that the house has appointed the various standing committees, will he arrange for an early meeting of all those committees so they can be organized and some of them, such as the industrial relations committee, can get to work?

Mr. J. E. Walker (York Centre): Yes, Mr. Speaker, we intend to organize the committees as quickly as possible; and that means quickly.

SUPPLY

The house again in committee of supply, Mr. Lamoureux in the chair.

DEPARTMENT OF NORTHERN AFFAIRS AND NATIONAL RESOURCES

1e. Departmental administration—to extend the purposes of vote 1 of the main estimates, 1963-64, to authorize payment of a contribution to the Canadian council of resource ministers in an amount equal to one half the aggregate contribution of the provinces but not exceeding $32,000 and to provide a further amount of $53,000.

[*Translation*]

Mr. Martineau: Mr. Chairman, I am sorry that the Minister of Justice (Mr. Favreau) is not in the house this morning, because I wanted, first of all, to congratulate him. I wanted to commend him because yesterday, he achieved a really remarkable feat. Indeed, Mr. Chairman, he succeeded in displeasing everybody, while satisfying nobody. I hope to show how he did this.

For instance, let us take those who believe that jurisdiction over the Eskimos should be transferred from the federal to the provincial government; those people are certainly very dissatisfied with the philosophy expounded yesterday before the committee, by the Minister of Justice. Ottawa has a jurisdiction in this matter but, according to him, that jurisdiction is elusive, inefficient and often illusory—illusory because the federal government does not propose to exercise it.

How could this government sitting opposite give a clearer and more complete indication of its impotency, its weakness and confusion, than by insisting—with the support of a ruling made by the supreme court and of the constitution—on the fact that it has a jurisdiction and, at the same time, attempting, through sophistry—there is no other word for the twisted reasoning put forward by the Minister of Justice—to show that this jurisdiction must not, will not, and cannot be exercised by the federal power invested with it?

Mr. Chairman, the Minister of Justice is trying to justify this transfer by asserting that it is not a constitutional transfer of jurisdiction, but simply the entrusting of a mandate or, if you prefer, of an agency to the provincial government by the federal government.

The minister said: "You know, Mr. Chairman, that the federal government cannot exercise its jurisdiction directly. It exercises it through its officers or other persons . . . "; he seems to put on the same footing ordinary civil servants or an agency of the federal government, and the government of the province of Quebec, a government which, in its own jurisdiction, is in fact and under the constitution, absolutely sovereign.

Thus, if we accept the philosophy of the Minister of Justice, we must conclude that this provincial government simply becomes a mandatary of the federal government. That is the absurdity to which we must necessarily and inevitably come, if we accept and follow the reasoning of the Minister of Justice.

It is absolutely clear that this theory is unacceptable from a constitutional point of view, because, besides the reasons I just stated, it is clear that the federal government, even under an alleged agreement or convention with the provincial government, cannot alter the jurisdictions of each level of government as definitively set out by sections 91 and 92 of the British North America Act.

The theory of the Minister of Justice is therefore absolutely groundless from a constitutional point of view. If he cannot justify his theory from a constitutional point of view, surely, he could not justify it under any piece of legislation? In that respect, the minister made a real effort.

He said that such a transfer was not new, that the government had proceeded in the same way for some services to the Indians. Either the minister neglected to consider the question carefully or he abused himself on the meaning of the transfer of services in respect to Indians. For in the latter case, it was a transfer authorized by legislation passed by this parliament, as indeed the hon. member for Peace River (Mr. Baldwin) pointed out to the minister during his remarks.

In this case, there is no legislation before the house providing for this transfer. What is more surprising, neither the Minister of Northern Affairs and National Resources (Mr. Laing) nor the Minister of Justice (Mr. Favreau) indicate that the government intends to introduce such legislation in the house.

So, their argument is fundamentally unsound, if they want to invoke legislation, for in this case there is no legislation. Nothing in the existing legislation concerning Indians provides for the transfer discussed in this debate.

The argument of the minister with respect to the constitution of this mandate is not justified either by an agreement or consent which would have been given by the people concerned themselves, that is the Eskimo people, for the Minister of Justice was again of an amazing, of an astounding

fugacity with respect to this so-called referendum. We have absolutely no assurance on the part of the government in this regard.

In view of the principles I have just put forward, I suggest that everybody, both federalists and provincialists, were disappointed in the speech made by the Minister of Justice.

In addition, I feel that this mandate theory puts the province in an inferior position that it can hardly deem acceptable. I say this, because I am quite familiar with the provisions of the civil code pertaining to mandate. As a matter of fact, a definition of a mandate is given in section 1701 and following sections of the civil code.

Thus, section 1701 defines a mandate as a contract by which a person called the mandator, commits a lawful business to the management of another, called the mandatary. Therefore, in the present case, the federal government would be the mandator and the province, the mandatary, which by accepting the mandate is obliged to execute it.

The next chapter of the civil code sets forth the obligations resulting from the mandate. Section 1709 provides among other things that:

The mandatary is obliged to execute the mandate which he has accepted.

Section 1713 provides that:

The mandatary is bound to render an account of his administration.

It follows therefore that if the province of Quebec is willing to be the mandatary of the federal government in this matter, it accepts a direct and inevitable control by the federal government in this field and agrees to account for its activities.

In other words, if the province of Quebec builds schools and sets up a curriculum, it must submit it to the central government. Can you imagine a more evident intrusion in the absolute jurisdiction of the provinces in the field of education?

This federal control in the field of education, if the argument of the Minister of Justice and that of the Minister of Northern Affairs and National Resources is accepted, was confirmed yesterday by the Minister of Northern Affairs and National Resources himself when he stated, among other things, as reported on page 1976 of *Hansard* that, for example, the federal government will require:

—the standards...would have to be as good as those we have now and, in addition, would have to take care of the future requirements of the population.

And in reply to a question of the hon. member for Edmonton West (Mr. Lambert) the minister repeated again that the federal government should not exercise that control in such a field.

It is for these reasons that I say the speech of the Minister of Justice has greatly disappointed all those who were expecting a little logic from him on this matter.

It is a fine thing to say that the provincial government will accept such conditions; that it will accept to be the federal government's mandatary or agent, in other words, to be its servant.

I was dismayed, yesterday, when, in reply to my question:

Has the government of the province of Quebec accepted to have conditions thus imposed by the federal government?

The Minister of Justice said:

That is my understanding under the preliminary agreement which has already been mentioned—

In view of the present state of Canadian politics, in the light of today's realities and the stand taken consistently by the successive governments of the province of Quebec and accepted today, I cannot see the federal government dictating conditions to the provincial government in such a vital field.

Above all, I cannot see the minister of natural resources of the province of Quebec, Mr. Rene Levesque, for instance, accepting such dictatorship—there is no other word, dictate and dictatorship are synonyms—from the federal government.

I cannot see the provincial government making such an about-face, especially since the premier of Quebec stated last week, after the failure of the federal-provincial conference in Quebec city, that his government would take legal proceedings against the federal administration to have the student loans and the family allowances legislation declared ultra vires.

I can see it even less after what we heard on the radio today—and the Minister without Portfolio (Mr. Dupuis) and the Secretary of State (Mr. Lamontagne) may be able to tell us whether it is true—that behind closed doors, the Quebec Liberal federation is putting the final touch to the final and complete divorce from the federal wing of the party.

Under the circumstances—

Mr. Lamontagne: What about the Union Nationale?

Mr. Martineau: —it would be ridiculous to think—

The Secretary of State who interrupted me may answer later on when I have resumed my seat. For the time being, I should ask him personally, since he has just walked in, and I would also ask the Minister without Portfolio if, as representatives of Quebec within the cabinet, both of them will approve the thesis of their colleague, the Minister of Justice, according to whom, from now on,

the province of Quebec will have to accept the guidance or control of the federal government and will have to submit to the conditions laid down by the latter in fields of exclusive provincial jurisdiction. If they can answer, let them do so but, in the meantime, I would much rather rely on the statements made in that connection by the representatives of the Quebec government.

Mr. Lamontagne: Would the hon. member allow a question?

Mr. Martineau: Mr. Chairman, I will allow questions at the end of my speech, which is drawing to a close.

Mr. Lamontagne: Mr. Chairman, the hon. member made statements—

The Chairman: Order. The hon. member for Pontiac-Temiscamingue has the floor and he has just said that he would answer questions after he has completed his observations.

Mr. Lamontagne: Mr. Chairman, I rise on a point of order. The hon. member said he was quoting the words of the Minister of Justice, but I should like him to quote from the text.

Mr. Martineau: I am very pleased to answer the point of order raised by my hon. opposite. It is unfortunate that he was not in the house at the beginning of the sitting for he would know that I did quote the Minister of Justice from the text. If he wants further information in this regard, he could read carefully what the minister said in this connection.

Mr. Chairman, I do not want to go into details. Up to now I have only tried to underline the complete inconsistency of the attitude of the federal government in regard to the transfer of the Eskimos.

Personally, I think I have made my position clear when I participated in a debate on the same question on March 26 last. Here was the stand I took then: the transfer of the "jurisdiction" of the Eskimos' administrative affairs was recommended by a joint committee on Indian affairs in 1961. The matters which were proposed to be transferred came under the exclusive jurisdiction of the province. The committee recommended certain conditions under which the transfer was to be made, for instance, that the transfer be agreed upon by the Indians themselves and then ratified by the federal and provincial legislatures.

I want to say that, as far as self-determination is concerned, the Eskimos have surely some rights and that we, of the province of Quebec, would be the last ones to deny them those rights.

Mr. Chairman, I shall conclude my remarks by saying that I am convinced that should this transfer be made according to the rules I have mentioned, and in accordance with the recommendations of the joint committee of the parliament of Canada, the government of the province of Quebec, which would then exercise its authority in a field which properly belongs to it, would jealously maintain and completely safeguard the fundamental rights, the culture and the language of the Eskimos.

Mr. Chairman, that is the stand I took in the past and which I still take. That is the issue. The minister of northern affairs said yesterday that the ultimate objective of the federal government was to promote the full and complete emancipation of the Eskimos. I am all for it, if such is the real objective of the government. But then, let the government treat the Eskimos with the respect they are entitled to as intelligent human beings and not try to outsmart them. It should not be wily with them, for they are Canadian citizens.

Mr. Chairman, the government ought not to try and confuse an issue which should be absolutely clearcut. On the one hand, we have the Minister of Northern Affairs and National Resources telling us that the federal government is at odds with Quebec on the matter and, on the other, the Minister of Justice saying that the provincial government accepts the federal government's conditions and that they have consulted each other. He should rather tell us what is the attitude of the federal government in that respect. There cannot be as many attitudes as there are ministers. If they are unable to settle this matter, they should not endeavour to do it because, instead of finding a solution, they would be getting away from it.

Mr. Chairman, before the end of this de- government, in dealing with this matter, must respect the Canadian constitution and the sovereignty of parliament, and above all the rights and interests of the Eskimos. Until now, they have given no evidence that they would settle the matter on the basis of standards dear to them. Well, Mr. Chairman, since Eskimos are human beings endowed with keen intelligence, as everyone knows, I feel it is shameful and entirely unthinkable to approach such a vital question that way.

Mr. Chairman, before the end of this debate, I would like the Minister of Northern Affairs and National Resources to answer questions directed to him yesterday by members on this side of the house. We would like him to outline the policy the government intend to follow in that respect.

[*Text*]

Mr. Baldwin: Mr. Chairman, I will not be very long, and I make no apology for commenting on this item. I think we have before us two of the most important principles with which this parliament has yet had to deal in my memory. There are two things involved. I suggest the first is a denial of natural justice to the Eskimo people. I am not going to deal with that point very much because it has been dealt with adequately by my leader, by the hon. member for Yukon and other hon. members on this side.

It was all very well for the Minister of Northern Affairs and National Resources to say last night that no formal agreement has been entered into yet, but having examined *Hansard*, having had an opportunity to read the questions and answers with respect to this problem, having seen the statements made and having read the press reports, I suggest that no other reasonable interpretation can be placed on the situation but that the government has committed itself to enter into an agreement by which there will be placed in the hands of the government of Quebec certain responsibilities with regard to the Eskimo people. True enough, as the minister said, the fine print has not yet been completed, and I think it is to the credit of the minister that he has seen fit to hold out until he thinks there are adequate safeguards in the agreement which is to be made. However, that the government is committed is, I think, perfectly obvious.

I think we have now gone so far on this question, Mr. Chairman, that natural justice will be denied unless the Eskimo people have the opportunity to express their views by means of a referendum. I leave this aspect by quoting again a statement Sir Wilfrid Laurier made many years ago, which I quoted on March 20 in the budget debate. I think what he said with respect to the people of Quebec applies just as much now as it did then.

> Yes, we are too much the sons of France, of that generous nation which has so often shed her blood for the defence of the weak, of the oppressed, not to be ever ready to defend the rights of our fellow countrymen of different nationalities to the same extent as our own.

It is my submission, and I fully believe, that the people of the province of Quebec would not wish any such transfer of responsibility to be consummated without the Eskimo people having the opportunity to express their views by a referendum.

I leave that point and will now deal very briefly with the legal aspect. I say that there has been a denial of natural justice. I add to that by saying that what is proposed to be done is that such transfers as take place will be consummated without due process of law. I posed the question on April 6, when I spoke briefly on the estimates of the Department of Justice. I spoke on purpose at that time, to give the Minister of Justice an opportunity to examine my arguments, which I feel I put before the committee dispassionately and with due regard to the facts and the law of the situation. At the conclusion of my remarks I said this:

> Until parliament has given the government the right to give to a provincial government any of its responsibilities in respect of these Indians—
>
> —that should have been Eskimos—
>
> —then the action which the government proposes to take is completely unconstitutional and not within the purview of the government as opposed to parliament.

How did the Minister of Justice answer this question? Yesterday, as recorded at page 1966 of *Hansard*, he made these remarks:

> Mr. Chairman, I was saying that the agreements which were and continue to be made in regard to Indian affairs are made in the framework of the exercise, by the federal government, of its administrative jurisdiction in the field of Indian affairs.

So the minister is saying at this point that we can do this so far as the Eskimos are concerned because in the past we have done it in respect to the Indians. Further down the page he is recorded as saying:

> And in the same way that no one can question our right to deal with Eskimo affairs through agents, representatives, intermediaries... I do not see why, so long as the decision quoted by the Leader of the Opposition is not against that and that there is no transfer of jurisdiction, we could not use, in the same way, a provincial government to manage Eskimo affairs—

I see, Mr. Chairman, that the Minister of Transport is in the house. At one time he was minister of citizenship and immigration and, as such, had jurisdiction over Indian affairs. I am sure he will bear me out that with respect to Indians, as interpreted and defined in the Indian Act, the act constitutes a complete code, and in that act there are a number of sections by which parliament, having first had an opportunity to debate this issue, having first had an opportunity to express its view, having first in committee of the whole examined clause by clause the provisions of the Indian Act saw fit—and I think properly—to entrust to the government the right by order in council to regulate, to make agreements, and to give in particular to the provincial governments and to local school boards certain agreements with respect to education and other matters.

It is only because parliament, being supreme to do so, delegated its authority to the government that the government has the

right, and has exercised that right on a number of occasions, to enter into agreements with the provincial governments.

Mr. Pickersgill: I wonder if the hon. gentleman, having brought me into this, would answer this question. The hon. gentleman is quite right that under the Indian Act the government was entrusted with the power, the faculty, of making these agreements. In fact I made many of them. I made an over-all agreement with the Northwest Territories council no different in many respects from what is proposed in this case.

But I would like to ask the hon. gentleman if it is not true either that Eskimos are Indians, and therefore they are covered by the provisions of that act or, if they are not Indians, they are just ordinary Canadian citizens and therefore should be treated as ordinary Canadian citizens? It seems to me they must be one or the other. They are not some third thing. They are either Indians, and therefore covered by the Indian Act, and the minister in charge of Indian affairs has the right to make an agreement as he did with other Indians; or they are not Indians and, if they are not Indians, then they are just ordinary Canadian citizens.

Mr. Baldwin: With respect, I brought this point up last night but I do not think the minister was here.

Mr. Pickersgill: No, I was not.

Mr. Baldwin: They are a third body. Under section 4 of the Indian Act, Eskimos are specifically excluded from the operation of that act. Consequently they are not covered by the provisions of that act, and there cannot be valid agreements made by the government in the same way as agreements can be made by the government with respect to Indians. But equally they are not ordinary citizens in the same sense, because by the supreme court case the parliament of Canada has been invested with exclusive jurisdiction and responsibility.

For that reason, because of this anomaly which may not have occurred to people before but which definitely exists, the Eskimos in northern Quebec covered by the supreme court case are the exclusive responsibility of the federal government, and they cannot be included within the four corners of the Indian Act.

Mr. Pickersgill: Would the hon. gentleman permit me to ask another question, purely for information? Does he feel that the decision in 1939, with respect to the Eskimos in Quebec, applies to Eskimos living in all the provinces of Canada, or only to those in Quebec?

[Mr. Baldwin.]

Mr. Baldwin: The 1939 decision applies only to the Eskimos living in northern Quebec because the terms of reference to the supreme court were definitely restricted to those. As the minister understands, there was a conflict over who would have to face the responsibility of feeding, providing for and maintaining these particular people, and it was limited to these particular people. The reasons for the decision were directed to these people exclusively, and the decision applies only to them.

Mr. Pickersgill: The hon. gentleman is evading and not answering my question. My question is, surely the supreme court did not say only this group of Eskimos in Quebec are Indians? Surely the supreme court meant that all Eskimos were Indians? Now, I am asking the hon. gentleman if he does not think this applies equally to any Eskimos living in any other provinces, or does he think it does not?

Mr. Baldwin: No, the supreme court decision cannot apply to any other than those people to whom the supreme court directed its attention. It had no right, under the terms of reference, to look to the Eskimos in any other part of Canada.

Mr. Turner: Surely the hon. gentleman, having read the case, would agree that the terms of that decision are wide enough to include the word "Eskimo" as a generic term, as applying right across the northland? More particularly, in view of the evidence produced before the supreme court relating to Hudson Bay documents, Northwest Company documents affecting Eskimos in all parts of the north, how does he find authority in that judgment limiting the definition of Eskimos merely to Ungava?

Mr. Baldwin: Because in examining this question the court directed its attention to ancient documents, to evidence contained in treaties which dealt with Eskimos in this territorial area alone. It might be wise to suggest to the government that it see to it additional references are made to the supreme court with respect to other Eskimos.

Mr. Pickersgill: As the hon. gentleman has the supreme court decision under his hand, if he would read the decision it would be helpful. I have always felt it is much easier to debate things if we have facts to debate rather than opinions, and the supreme court used certain words about the Eskimos. I do not carry them in my head and I doubt if the hon. gentleman does. If he read the decision it would be helpful.

Mr. Baldwin: The decision was here yesterday but it is not here now. Perhaps while I

am speaking the minister might be able to obtain the decision. But I would say to the minister that what the terms—

Mr. Pickersgill: It is not the terms of reference I want. It is the decision of the court.

Mr. Baldwin: But the court is limited to the terms of reference.

Mr. Martineau: If the hon. member would permit this interjection, at page 421 of the decision Sir Lyman Duff, who was the chief justice and rendered the decision on behalf of the court, stated as follows:

Resolved that upon the transference of the territories in question to the Canadian government it will be the duty of the government to make adequate provision for the protection of the Indian tribes, whose interest and well-being are involved in the transfer.

Mr. Pickersgill: That is not what I want. I want the sentence that refers to Eskimos. It is that I am interested in.

Mr. Baldwin: I will see the minister's curiosity is satisfied, either now or later. I shall produce the decision and cite from it the particular paragraph which makes it clear beyond any doubt that in coming to their decision the learned judges of the supreme court had directed their attention to the Eskimos within a certain defined territorial limit. The affirmative answer which they gave to the question "Are these Eskimos Indians within the meaning of the act?", and the answer being yes—

Mr. Pickersgill: Is the hon. member going to be so sophistical as to argue that these particular Eskimos are Indians and that the rest are not?

Mr. Baldwin: By no means; but they are Indians because the supreme court has declared them to be so, having examined the evidence with respect to these particular people and defined them for the purpose of deciding whose responsibility they are to be. Apparently this question has never arisen with regard to the Eskimo people in the Northwest Territories, but it did arise with respect to these Eskimos in the northern part of what is now called new Quebec. The estimates make this plain. If one examines the estimates of the Department of Citizenship and Immigration—I am dealing with the estimates for the year ending March 31, 1965—

Mr. Turner: Before the hon. member goes into that, may I ask him whether he is introducing the estimates as a legal authority?

Mr. Baldwin: If the parliamentary secretary can contain his impatience he will see where my remarks are leading. He may not be satisfied by my argument now, but I will have a few additional authorities to give him.

Mr. Pickersgill: Surely we are not debating the estimates of 1965 yet, though it may appear to the public that we are doing so.

Mr. Baldwin: I am simply using the estimates so that the few doubters who remain on the other side of the chamber will be satisfied. The estimates of 1965 for the Department of Citizenship and Immigration in connection with Indian affairs provide for the payment of a substantial sum of money and recoverable expenditures under agreements entered into with the approval of the governor in council with the governments of the provinces and territories and with local school boards in respect of social assistance to persons residing on Indian reserves, the education of Indian children and so on. In other words, there is a definite reference to agreements made between the government and provincial governments approved by order in council, agreements which can be made only because the Indian Act authorizes them to be made.

However, when we turn to northern affairs we will see votes providing for moneys to be paid in respect of Indian commercial activities, the instruction and supervision of Eskimos, the furnishing of materials, finished goods and so on, and welfare services for Eskimos. There is no reference whatsoever to agreements being concluded with provincial governments. I say to the government that if they persist in their determination and enter into an agreement with the province of Quebec and pay out moneys for that purpose, the Auditor General when examining such payments is bound to certify that they are illegal payments made without the authority of parliament.

Someone said to me, how is it that in the past, there being no legislation, the government has been able to deal with Eskimo affairs and provide for their education, their welfare and their medical services? The answer is simple; there has been authority from parliament. Each year there are items included in the estimates. Each vote is a motion of this house, and the aggregate of the votes is included in an appropriation act authorizing the payment of those respective sums. Parliament has then authorized the government for the period of the fiscal year in question by implication and directly to pay on these various services the money so allocated. This is the limit of the government's authority. No other authority has been given by parliament to the government. Any attempt by the government to act without receiving such

authority is illegal and invalid, and I am satisfied it would be promptly questioned by the Auditor General.

Mr. Turner: I wonder whether in the event that there were an agreement concluded—I notice that the hon. member has now desisted from his earlier argument that there already is one—but if there were an agreement, would not that agreement be sufficient legal justification for payment?

Mr. Baldwin: Depending on the terms I would think it might be, if parliament approved it.

Mr. Turner: If parliament approved the arrangement.

Mr. Baldwin: As I understand the mood of this parliament there will not be approval, or certainly there should not be approval, of an estimate by which the government is authorized directly or indirectly to enter into an agreement of this kind unless there are certain safeguards established, and I propose to deal with what I think these safeguards should be.

Mr. Pickersgill: Before the hon. member goes on to deal with the question of safeguards, may I ask him this. Has he not completely answered his own question? In other words, if the government made an agreement with the province of Quebec it could not implement its plans and spend any money without a vote from parliament. So, as the hon. gentleman has so successfully demonstrated, parliament will have the final say on this matter whether the government likes it or not.

Mr. Baldwin: If the hon. gentleman or the minister of northern affairs will rise at this time and say that no such agreement will be consummated or applied until it has been brought before parliament, I will resume my seat this moment.

Mr. Pickersgill: That was said yesterday.

Mr. Baldwin: No, it was not. It was said the agreement would be brought before parliament. I am saying it should be approved by parliament and examined by parliament. This is our right. We have been given the responsibility for these Eskimo people and it is our right to examine the terms of any such agreement and, if we dislike it, to say so.

Mr. Pickersgill: Would the hon. gentleman permit me, before he continues, to ask him another question? The government of Canada is spending money on the Eskimos of Manitoba. Would the hon. gentleman argue that the federal government has no right to make an agreement with the government of Manitoba to carry on some of these functions without the prior approval of parliament?

Mr. Baldwin: Yes, I would so argue.

Mr. Pickersgill: I am very interested in that answer. Does the hon. gentleman found that answer on the privy council judgment or on the supreme court judgment of 1939? Or on what does he found it?

Mr. Baldwin: On the principle that these Eskimos are under the jurisdiction of the federal government.

Mr. Pickersgill: On the ground that they are Indians?

Mr. Baldwin: On the ground that they are Eskimos who are accepted as a responsibility of the federal government.

Mr. Pickersgill: Yes, but I am asking the hon. member this question. He says that in the case of Quebec an agreement cannot validly by made without prior parliamentary approval; he says this is because the supreme court decided that the Eskimos in Quebec were Indians. He also said that the supreme court did not make any such decision with regard to the rest of the Eskimos. Therefore the rest of the Eskimos are not under the jurisdiction of parliament to any greater extent than are any other citizens.

Mr. Baldwin: That is not so.

Mr. Pickersgill: I wish the hon. gentleman would clear up this point.

Mr. Baldwin: Certainly; because if a reference is to be made and can be made, the same principles and the same law which was argued in the 1939 case would be applicable. In particular there is a reference in that case to the royal proclamation of 1763, under the terms of which certain ancient and immemorial rights of the aboriginal people of Canada, which includes Eskimos and Indians, were retained in their hands, including the use and occupancy of the land. In confirmation of that, the government of this country from time to time thought it necessary to negotiate treaties with various Indian tribes. Under the terms of those treaties the Indians gave up or ceded to the government of Canada the respective lands covered by the treaties.

That royal proclamation would be applicable, in my opinion, to the aboriginal people, including the Eskimos of northern Manitoba, to the same extent and in the same way as it was utilized by the Supreme Court of Canada in coming to a decision in the 1939 case.

Mr. Pickersgill: Mr. Chairman, I am sure the hon. gentleman would not mind answering another question, for information. Does

the hon. gentleman think it is equally applicable to the Eskimos of Newfoundland? Newfoundland is a part of Canada. Does the hon. gentleman think it is equally applicable to them?

Mr. Baldwin: No, Mr. Chairman, because the royal proclamation excepted certain areas, including the provinces which were created following the treaty of Paris in 1763, and the crown colonies.

Mr. Pickersgill: The hon. gentleman is surely aware of the fact that the boundaries were changed on more than one occasion after that. He is not going to say, is he, that we brought any Newfoundlanders into this country as second class citizens of Canada? Surely he is not arguing that the Eskimos in Newfoundland are not entitled to the same protection from this agreement as any other Eskimos; or is he?

Mr. Baldwin: I am simply referring to the Eskimos of northern Quebec. The minister asked me a question with regard to the Eskimos of northern Manitoba, and I gave him my views in this regard and quoted what I thought was ample authority for this argument. I do not know what the boundaries were of the province of Newfoundland. The eminent minister is a historian and is probably aware of this. He and I might get together and work this out. But without prior knowledge of the facts on which a decision should be based, I prefer to limit myself to the facts of which I have knowledge, which is something I recommend to the minister.

Mr. Pickersgill: I am sure there is one fact of which the hon. gentleman has knowledge, because he was parliamentary secretary to the former prime minister. He must know, therefore, that in practically every year the former prime minister was in office the government of Newfoundland made formal application for assistance for the Eskimos of Newfoundland, and in every case their request was ignored by the previous government. That is why I asked the hon. gentleman the question, did he and his party regard the Eskimos in one province as second class citizens and those in another province as first class citizens, which seems to be the conclusion of his argument?

Mr. Baldwin: Mr. Chairman, I have no knowledge of that fact arising out of my position as parliamentary secretary to the former prime minister. My duties include my presence in the house having to do with the obstructive tactics of the then opposition.

Some hon. Members: Hear, hear.

Mr. Pickersgill: I am not saying, Mr. Chairman, that the hon. gentleman was not an apt pupil.

Mr. Turner: Mr. Chairman, would the hon. gentleman permit a question?

Mr. Baldwin: I only have five minutes, Mr. Chairman, and I should like to conclude my argument. I shall be glad to answer any questions of the parliamentary secretary either during the lunch hour or this afternoon. I have dealt with the question of the estimates, and I should like to conclude by stating what I think are the four safeguards that should be provided before any agreement is entered into. Let me say that I sat on the Indian affairs joint committee, and it is my considered opinion that in the final analysis and in due course it is desirable that distinctions between citizens in Canada should be eliminated; but let me also say that because of the manner in which this particular issue has been handled it is my view that the government has set back the process of adjustment by at least a generation.

I make these suggestions; first, that any agreement which is to be made must be submitted to parliament and must have parliamentary approval. Second, there should be adequate safeguards in this agreement; third, a safeguard of arbitration by means of reference to possibly a supreme court judge or the Supreme Court of Canada should the Eskimo people feel that the provisions for protecting them are being violated; fourth, there can only be settlement now after a referendum.

I understand the problem which faces the government with regard to this business of a referendum, having in mind that some time in the next few years similar arrangements should be entered into with respect to the quarter of a million Indians now under the Indian Act. But having in mind what has happened—and sitting on the Indian affairs committee as I did, it was by no means unanimous amongst the Indian people that there should be this integration; many of them took exception to it, and I am sure their leaders will be watching with care and scrutinizing with anxiety the actions of the government in this case—I think the only way you can satisfy the Eskimos of northern Quebec and the Indian people, who must be considered so far as the future is concerned, is by means of a referendum.

The Chairman: Shall the resolution carry?

Mr. Baldwin: Mr. Chairman, may I have leave at this time to satisfy the curiosity of the Minister of Transport with regard to the specifics of the supreme court decision? Here are the terms of reference:

Does the term "Indians", as used in head 24 of section 91 of the British North America Act, 1867, include Eskimo inhabitants of the province of Quebec?

Mr. Pickersgill: Yes, Mr. Chairman; but I would like the answer. That is what I asked for.

Mr. Baldwin: The answer was "Yes". Perhaps I should read the headnote. This is one of those fortunate references where, unlike the case with questions asked in parliament, there is a yes or no answer.

Mr. Churchill: Not a Pickersgillian answer.

Mr. Baldwin: The headnote provides the answer:

Eskimo inhabitants of the province of Quebec are "Indians" within the contemplation of head No. 24 ("Indians and lands reserved for Indians") of section 91 of the British North America Act.

Mr. Pickersgill: Mr. Chairman, may I now repeat my question to the hon. gentleman. Does he really seriously contend that that answer does not mean that all Eskimos in Canada are Indians, wherever they reside?

Mr. Baldwin: This was not decided. I have no doubt that under the terms of a proper reference, if it was thought necessary, the same answer would probably be given. But we are bound—at least, I hope this government is bound—by decisions of the supreme court, and I hope the government does not decide to go outside these lawful decisions for its own purposes. We are bound by this act and must stay within the four corners of the decision.

Mr. Turner: Mr. Chairman, perhaps I may ask one question on the same subject. The hon. member has given his legal opinion on this judgment and related statutes. Would he seriously contend that the purview and effect of the decision by the Supreme Court of Canada in this case in 1939 would not be that Eskimos as a generic term, as an indigenous race in Canada, were not similarly defined under head 24 of section 91 of the British North America Act?

Mr. Baldwin: I understand that the parliamentary secretary practises law, as I do. I am sure he has had the same experience I have had in trying to persuade a court that a decision that has been made extends beyond the boundaries of that particular case, and not being very successful in his argument.

Mr. Turner: Which side of the case do you prefer?

At one o'clock the committee took recess.

AFTER RECESS

The committee resumed at 2.30 p.m.

The Chairman: Shall the item carry?

Mr. Peters: Mr. Chairman, I do not want to get involved in the discussion which has taken place, but it seems to me that the remarks which have been made are a pretty good indication that there is some agreement as to what are the legal requirements. While I cannot see why Eskimos and Indians are put in the same category, there is probably a legal reason for so doing. However, why is the province of Quebec so interested in reaching an agreement that the federal government should give up its control over the Eskimo population in this particular area?

One question which is asked, and I think it is a good question, is, is this because of the squatters' rights that the Eskimos obviously have in regard to the natural resources in what is called New Quebec? Has this also something to do with the boundary between Labrador and Quebec in relation to the local inhabitants of the area? Is that why the people of Quebec are so interested in them, and particularly the government of Quebec, because there is certainly a distinction between the two which we should draw. For example, Mr. Levesque is interested in obtaining this concession from the federal government, even though it has been said that he still wants some of the administration costs to be paid by this government

The rest of us in Canada have two responsibilities in this regard. One of them is to see that the people who are our native population, whether they be called Indians or Eskimos, have their rights protected. If we are willing to send our troops into other nations across the world to protect their right to self-determination, then at least we should be able to apply this principle in our relationships between the federal government and the provincial governments of Canada. This is very fundamental, and any member of parliament who comes here unprepared to meet this commitment on behalf of the native population of this country is doing a great disservice to the people of Canada and to the idea of a united Canadian nation.

It is my opinion that many of these people have reached the stage where they can achieve self-determination. From talking to people who have visited the Eskimos in some communities I believe that the Eskimos have already made this decision, and the only thing preventing the implementation is that they want to retain their preferred position under the control of the federal government, and have an outspoken objection to being

transferred to the control of the province in which they may reside. They believe they have certain advantages in remaining under the control and responsibility of the federal government.

I do not think we as Canadians are the least bit interested in whether a province wishes to obtain clear title to a particular area in this regard. This should not concern us at all. What should concern us is the welfare of these people. It seems to me very surprising that this government should insist upon us making this decision without taking into consideration the wishes of the people in those areas.

I can only conclude, Mr. Chairman, as many others have concluded, that when all the smoke dies down and the legal precedents have been cited, we will find this whole matter hinges upon the commitment the Liberal government in Ottawa made to the Liberal government in Quebec. I feel it is as simple as that. This problem did not come to the fore until there had been a meeting of the resource minister of Quebec with the minister of northern affairs for Canada.

I had an opportunity some time ago, along with other members of parliament, of seeing a film outlining some of these problems. This film was paid for by certain interests in the province of Quebec and illustrated the conditions under which the Eskimos existed in the Arctic region. The particular gentleman who took the film went up to the Arctic and set up a trading company in that area. This film showed great abuses by employees of northern affairs who worked in that area, particularly where there was a relationship between the Hudson's Bay Company and the department of northern affairs. One example concerned oil declared surplus by the Department of National Defence which was turned over to the Hudson's Bay Company. This oil was not suitable for outboard motors. However, the Hudson's Bay factors would not stock any outboard motor oil on their shelves until this surplus oil had been used up.

This incident was brought to the attention of the department of northern affairs, but nothing was done about it. There were other illustrations. The post office was run by the Hudson's Bay Company, and people in the area could not obtain cash unless this was done through the auspices of the Hudson's Bay Company. This was done on a very discriminatory basis. The gentleman who came back had in his suit coat a number of packages containing bills of large denominations which he had been using while in the Arctic because he was not permitted to have cheques cashed in that area.

As I have said, Mr. Chairman, all these incidents came to the attention of the department of northern affairs. Representatives of that department viewed this film and made very disparaging remarks while the film was being shown. They showed great ignorance in doing so. In view of the fact that this film was being shown to us by the film board in their quarters, these people could have shown courtesy to the other guests who wanted to listen. I am sure these matters must have been discussed within the department. I was interested in ascertaining why certain individuals in Quebec would pay to support such an expedition to obtain this type of film. Since discussing the matter with a number of other people, I am satisfied the reason it was done was that the province of Quebec had already decided they wanted to get control of the Indian population in that area. It was simply a case of squatters rights in connection with the resources that existed in this area.

If this is true, and I believe it to be true, then I believe these Eskimos should be given the same protection that is afforded by the Indian Act. We are all well aware of the fact that if this area were declared to be a reservation for Indian bands, then the resources of the area could be developed for the benefit of the people of the area. I am quite sure, Mr. Chairman, that one major mining company in northern Quebec would more than support in perpetuity the 2,300 Eskimos in that area. In all fairness, if the minister really wishes to protect these people he is going to have to give a much clearer indication of this desire than he has in the past. He will have to allow the Eskimos to determine their own future.

There are other problems which I believe will arise before the committee can give approval to the recommendations outlined in the memorandum the minister presented to parliament. There are matters such as religion, education, language and so on, that will be of concern to the Eskimo people in the future. We must insist that the minister not proceed further with these negotiations with Quebec, Manitoba or the other provinces until the very fundamental problem of the responsibility for these people be established throughout the whole area.

Mr. Herridge: I have a few words to bring to the attention of the committee. I have been detained in the external affairs committee during the greater part of the discussion of these estimates. I have been asked by friends of mine, and close friends of the minister's, to raise this question. The close friends of the minister reside in the city of Revelstoke. The question relates to Revelstoke

park and what people claim is the continued waste of public money in that park. The minister knows that the superintendent's house cost nearly $50,000. It is a most lavish place. There are repairs being made to buildings only recently constructed.

I just ask the minister this question. Will he agree to call the superintendent of the Revelstoke national park and the engineer in charge of the park before the committee on mines, forests and waters, and will he be willing at the same time to hear witnesses who have anything to contribute to a complete understanding of this question?

Mr. Laing: I think I should make some answer to the hon. member for Kootenay West. I understand he has been making these charges for two or three years now.

Mr. Herridge: I am not making any charges; I am repeating what people have told me.

Mr. Laing: The expenditures in the park to which he refers were made some three years ago. I have seen some of the results of those expenditures. While he and others may contend that the buildings that were erected were luxurious, I think the fact that we are going to create the most notable mountain park on this continent calls for buildings commensurate with the beauty and service the park gives. If the hon. member has any specific charge to make that waste was deliberate in those days, and he has never made such a charge, I would certainly take measures to investigate those charges.

Mr. Herridge: I have just one question. The minister knows some of the facts, and does he consider it right and proper that the people of Canada should be called upon to pay close to $50,000 to build a house for the superintendent of a national park?

Mr. Laing: Mr. Chairman, the house is built and I am not going to tear it down.

Mr. Francis: Mr. Chairman—

Mr. Pigeon: Filibuster.

Mr. Francis: —the item before us is vote 1e of the Department of Northern Affairs and National Resources, an additional appropriation of $53,000. I have listened to the debate with a great deal of interest. I have also taken note of the comments in other sources of communication and public information indicating that this situation is one of very great seriousness, as I personally believe it is. This is the 15th day on which the house has been debating these final supplementary estimates for the fiscal year which ended March 31, 1964.

As I understand the position of the official opposition, they want assurances from the government with regard to certain safeguards before passing the item under discussion. The problem which I as a member sitting on this side of the house have to face is in interpreting what the official opposition actually claim should be the safeguards, and trying to reconcile statements in *Hansard* so that I may better understand why this debate is being prolonged.

I listened with a great deal of interest to the remarks of the hon. member for Peace River concerning the interpretation of the 1939 decision, and I must confess that he put forward a case that carried a great deal of weight with me personally, although I am not trained in the law, in terms of the scope of the decision and its influence. However, I should like to quote from *Hansard* for December 16, 1963, page 5975, when the main estimates of this department were before the house. I quote the words of the hon. member for Joliette-L'Assomption-Montcalm:

> Mr. Chairman, when Newfoundland joined confederation the administration of Eskimo and Indian affairs was put in the hands of the government of that province. Now, I wonder why the same procedure could not be followed with the government of the province of Quebec?

That is a verbatim quotation from *Hansard,* Mr. Chairman, and I am wondering whether the hon. member for Peace River has had any opportunity to put forward the same kind of convincing and enlightened argument to his colleague the hon. member for Joliette-L'Assomption-Montcalm, the type of argument which he placed before the house so effectively earlier today.

In a cursory reading of *Hansard* I have located 12 occasions when the hon. member for Joliette-L'Assomption-Montcalm has interjected in the debate or has posed oral questions, but I cannot claim that the instances I have found by any means exhaust the quotations I might find. On July 26, 1963, as found on page 2669 of *Hansard,* this question was posed by the hon. member:

> Since the officials have completed their reports in connection with the possible transfer of Eskimo affairs to the government of the province of Quebec, when will there be a meeting of representatives of the federal and provincial governments to effect the transfer?

On July 29, 1963, page 2732 of *Hansard,* the hon. member put this question to the minister:

> Does he intend to meet the Quebec authorities as early as possible in order to transfer to them questions relating to the New Quebec Eskimos, in view of Mr. Levesque's contention that the federal government is putting off on purpose a new meeting between the federal and the provincial authorities?

Again on August 1, 1963, at page 2885 of *Hansard*:

> Mr. Speaker, may I ask the Minister of Citizenship and Immigration a question? Has the minister read the statement by Mr. Eric Gourdeau

of the Quebec government, who charged the Minister of Citizenship and Immigration and the Minister of Northern Affairs and National Resources with insincerity and accused them of having delayed the meeting between the two parties in regard to the transfer of Eskimo affairs to the Quebec administration?

On October 1, 1963 the question became a little more ingenious. It is found on page 3074 of *Hansard*:

Mr. Speaker, I should like to direct a question to the Minister of Northern Affairs and National Resources. Will the government finally transfer to the government of the province of Quebec jurisdiction over Eskimo affairs in New Quebec in accordance with the legitimate wishes of the province and those of his good friend, Mr. Rene Levesque?

Some hon. Members: Oh, oh.

An hon. Member: Repeat it.

Mr. Francis: I repeat:

Will the government finally transfer to the government of the province of Quebec jurisdiction over Eskimo affairs in New Quebec in accordance with the legitimate wishes of the province and those of his good friend, Mr. Rene Levesque?

On October 18, 1963 at page 3737 of *Hansard*, the same hon. member posed this question:

Could the minister tell the house whether he intends to get at the truth of certain press reports to the effect that some officials of his department are putting pressure on Eskimos of northern Quebec or are blackmailing them so that they will refuse and protest against the wish of the province of Quebec to take over the management of their affairs?

Again on November 13, 1963, at page 4693 of *Hansard*:

Has the Quebec government requested another meeting with the minister to consider the possibility of transferring the jurisdiction over the Eskimos of New Quebec to the government of the province of Quebec?

On December 16 and again on February 19 the hon. member again raised this matter in the same vein. In the debate on the address in reply to the speech from the throne the hon. member was very clear on this point. He said, as found on page 103 of *Hansard* for February 21 last:

The government should also, Mr. Speaker, entrust the province of Quebec with the education of the Eskimos in new Quebec.

On February 19, 1964 he put this question as found on page 12 of *Hansard*:

Since federal officials, as confirmed by Mr. Rene Levesque, have the Eskimos of Fort Chimo sign a petition objecting to the transfer of jurisdiction, can the minister state whether the administration of Eskimo affairs will remain under federal jursdiction?

There are many quotations, Mr. Chairman, and I have not by any means exhausted them, but one of those I personally found rather difficult to reconcile is to be found on page 1407 of *Hansard* for March 24, 1964, where the hon. member for Joliette-L'Assomption-Montcalm put this question to the minister:

Could he tell the house whether, according to a statement made by Father Steinmann, an Ungava missionary, and a report published in this morning's issue of *Le Devoir*, Ottawa is trying to impose on the Eskimos in new Quebec a quick assimilation which, in the opinion of Father Steinmann, would be a true genocide?

We have had a very thorough debate on this item, Mr. Chairman, and some statements have been made by hon. members on the other side which have been well argued, but I find it completely impossible to reconcile those statements with the statements made by the leading spokesman of the official opposition in this house. The question I would put to the hon. member is this. Is he in favour of the transfer or is he not?

Mr. Pickersgill: Yes or no.

Mr. Francis: Mr. Chairman, I have read into *Hansard* some of the statements made by the hon. member. In particular he has on many occasions read extracts from the press. I am thinking, for example, of February 21, 1964 during the course of the throne speech debate, when he quoted from *La Presse* in some detail. I should like to refer to today's *La Presse*, an article by Marcel Gingras entitled:

[*Translation*]

Mr. Pigeon was not there—

Having adopted the views of Mr. Rene Levesque, Mr. Pigeon, since the very beginning of the dispute, has constantly been urging the Pearson administration to comply with Quebec's wishes.

[*Text*]

I ask hon. members of the house to judge. Is this a consistent policy which is being put before us by the opposition? I raise the matter of the record which is there for all who want to read. I have submitted a series of quotations that are beyond question with regard to the subject of education and the subject of the transfer of administration, matters which have been raised in this debate; and these quotations cannot be reconciled by any stretching of my understanding with a good deal of what has been said.

I submit that the holding up of these estimates on this 15th day of debate is a true filibuster if we ever saw one, and the purpose of this filibuster will no doubt become apparent as we proceed. But for $279 million we are now in the 15th day, and on an item for $53,000 we are now in the second day of debate.

There is no question but that we are now faced with an organized filibuster, and in these circumstances I leave it to hon. members to judge what we are being asked to agree to, what are the conditions being placed

upon us by the statements made by the official opposition and by the inconsistencies in those statements.

[*Translation*]

Mr. Pigeon: Mr. Chairman, the hon. member for Carleton (Mr. Francis) forgot to remind the house that last year the members of his party dealt with the estimates for a period of 26½ days, while we have only been discussing them for a few hours, since there have been days when we merely spent an hour or two on them.

Therefore, I would not be surprised if the hon. member for Carleton was trying to mislead the house, as he did yesterday when he suggested that I had slipped away from the House of Commons because I did not share my leader's views on the Eskimo question.

An hon. Member: It is true.

Mr. Pigeon: Mr. Chairman, the hon. member for Carleton made a false and dishonest statement which is not in keeping with the courtesy which should prevail in this house.

Mr. Chairman, the hon. member for Carleton mentioned that I, as well as my fellow members, had asked many questions with regard to Eskimo affairs in new Quebec. I think opposition members have the responsibility to question and press the government on this important matter, because we want fair treatment for the Eskimos, who are Canadian citizens.

Mr. Chairman, questions have been put to the Prime Minister (Mr. Pearson), the Minister of Northern Affairs and National Resources (Mr. Laing), the Minister of Justice (Mr. Favreau), and their answers were contradictory. It is impossible to know what the government proposes to do.

We want to protect the rights of the Eskimo people as we are entitled to do; we do not want those rights to be ignored.

Mr. Levesque would like to see Eskimo affairs under the jurisdiction of the province of Quebec. Last year he stated that by April 1, 1964, Eskimo affairs would be a provincial responsibility.

I fail to understand the position of the Minister of Justice, and I accuse him of being a centralizer. He wants Quebec to remain under the control of Ottawa as all he concedes to the province is the administration of Eskimo affairs. In other words, he wants the provincial government of Quebec to look only after the administration of Eskimo affairs, which means that the federal government would control the provincial government's activities in this respect. I think that this is an infringement on provincial autonomy, and we do not want the government of the province of Quebec to be under the control of the federal government.

I find it very difficult to justify Mr. Rene Levesque's position, who poses as a defender of provincial autonomy. I would rather say that he is insulting provincial autonomy. Who could imagine that such an arrangement between the federal government and the government of the province of Quebec could be accepted? The federal government does not want to grant the rights nor the constitutional powers which are essential to the full development of the province. Just half a jurisdiction is to be given to the province of Quebec with regard to Eskimo affairs. In other words, the idea is to put the government of the province of Quebec under the control of the federal government.

In other words, Mr. Chairman,—

Mr. Choquette: Who wrote your speech?

Mr. Pigeon: Oh, I hear the hon. member for Lotbiniere (Mr. Choquette). We know his loyalty to his party, to Her Majesty the Queen of Canada. We have known it for quite some time, Mr. Chairman.

If the hon. member for Lotbiniere has any courage, let him rise after me, and tell us what is his attitude towards Eskimo affairs. Let him tell us whether the Minister of Justice and the federal government are right at present in wanting to put the province of Quebec under the control of the federal government, as far as Eskimo affairs are concerned, by surrendering only half the jurisdiction.

As my leader stated, we do not want the Eskimos to be bartered like mere chattels. We ask that the transfer be made democratically and that the Eskimos, who are most concerned, be first consulted.

But if there must be a transfer, it should be made through the usual channels. Legislation should be brought forward following consultations between the governments involved. That matter should not be sneaked through without being discussed by parliament. Parliament has a right to be consulted on that matter. In other words, we want the transfer to be conditional and we do not want it to be another intrusion by the federal government in the provincial field.

Mr. Chairman, there are several—

Mr. Lessard (St. Henry): Did you ask Mr. Barrette?

Mr. Pigeon: I hear the hon. member for St. Henry (Mr. Lessard) who often has the floor in this house. Did you know, Mr. Chairman, that he spoke twice since he has been in the house? I wonder why his electors keep returning him.

Mr. Chairman, if the hon. member for St. Henry wishes to speak, all he has to do is

to rise, and I shall give him the floor so he can have, at last, one opportunity of saying a word.

Mr. Lessard (St. Henry): When I speak, I do not talk nonsense like you.

Mr. Pigeon: As far as that matter now before us is concerned, I should like to ask the Minister of Northern Affairs and National Resources a question.

[*Text*]

Why are some of the textbooks and instruction books used in government schools in northern Canada prepared and printed in the United States when equally as good Canadian school books are available?

[*Translation*]

I should like to get an answer to that question from the minister. I should also like to ask the minister whether it is the intention of the government to revise the status of the Hudson's Bay Company. That company has contributed to the development of the northern sections of Canada and has been doing an excellent job for many years.

I wonder if it would not be possible to revise the status of this company in order to reconsider its powers and pass new legislation or new regulations in its respect.

Those are the few comments I had to make. But before concluding, I should like to put a question to the hon. member for St. Lawrence-St. George (Mr. Turner). He made a rather serious statement at a symposium under the auspices of the Arctic Institute of North America, at McGill University; as a matter of fact, he is alleged to have made misleading and irresponsible statements, according to Professor Jacques Rousseau, who denied emphatically the allegation of the parliamentary secretary. We want to hear him on this subject and we want to have his views.

In brief, Mr. Chairman, it is the responsibility of the opposition to scrutinize this matter carefully. We are surprised to see what I would call an undemocratic attitude on the part of the government.

We on this side of the house are blamed for asking questions, but there is no unanimity in the government on this matter of the transfer of Eskimo affairs from the federal government to the Quebec government. The cabinet now stands divided on this matter. If the minister could speak, he might say that I am right. I repeat, the cabinet now stands divided. There is a desire to transfer Eskimo affairs to Quebec in order to please Mr. Levesque, but without the Eskimos and the government being consulted, which in my opinion would be an undemocratic procedure.

We wish to obtain a specific answer from the minister and the parliamentary secretary. What will be the policy of the federal government concerning the status of Eskimos in New Quebec in the province of Quebec?

We want to know where we stand. I think that we are entitled to such information. If the minister is ready to make a specific and concise statement on this matter, he can be assured that we will fully co-operate in this field.

Mr. Turner: Mr. Chairman, may I put a question to the hon. member? Perhaps he could take time in order to reconcile his point of view with those of the hon. members for Peace River (Mr. Baldwin), Yukon (Mr. Nielsen) and Pontiac-Temiscamingue (Mr. Martineau) in order to attain on their side a consistent position and policy.

Mr. Pigeon: Mr. Chairman, I am asking the parliamentary secretary to supply evidence to show that we disagree on this matter. In making his allegations, the hon. member for Carleton (Mr. Francis) relied on questions I had asked in the house. Members have the right and the privilege to ask questions in the house.

Before concluding my remarks, Mr. Chairman, I wish to add this. If at any time the management and administration of Eskimo affairs is turned over to the province in a democratic and constitutional way, while respecting the rights of the Eskimos, I can assure the house that the Quebec government will respect those rights as it has always respected the rights of minorities, both English and others, in the field of education.

[*Text*]

Mr. Winch: To the best of my knowledge there is not an Eskimo or an Indian resident in my constituency of Vancouver East. However, we have now had several hours of discussion on a certain phase, and as a member of this committee I should like to have a little more clarification of this question. That is why, without taking very much time, I should like to direct a series of questions to the Minister of Northern Affairs and National Resources and ask him if he will have the courage and the decency to give direct answers.

First, on what basis is it that after approximately 90 years during which the Eskimos have come under federal jurisdiction, consideration is being given to bringing, I understand, around 2,700 of them under provincial jurisdiction? Second, if this is under consideration, is this an admission that 90 years of administration under the

federal government by both Liberals and Conservatives has failed, both administratively and constitutionally, and that the task must now be taken over by the provincial government? Third, what is the actual basis now, in these last few years, three or four years before the centennial, for this discussion, turmoil and fight over whether Eskimos in the Quebec area should come under the control of that province?

What is behind all this? There must be something, and it cannot be only 2,700 Eskimos. If it were 2,700 Eskimos, surely to heaven the federal government could do more for them than a provincial jurisdiction. Will the minister honour this committee by giving it something in the way of truth? Will be also tell this committee, in view of what is taking place, whether, if it is correct that 2,700 Eskimos are to come under provincial jurisdiction in Quebec, he applies that principle to all Eskimos across the northern region of Canada; and if so, will he recommend that there be this extension?

Now let us get down to even a bit more. I count this as a most weird situation which has not been explained in this committee, and I am certain it has not been explained with truth by the government of Quebec or by the government of Canada. Why is the minister now taking the stand he is taking on this issue? Is it because he can now give us some really factual points or is he, with all respect, becoming a bootlicker and an apple polisher for something that Quebec wants?

I put it just that way. You know, Mr. Chairman, there has been an extraordinary situation in this House of Commons in this past year, things that have amazed members here and have amazed the people of Canada. I believe we would do a much better job in this House of Commons if we were given a lot more truth and facts on the presentation of propositions, proposals and policies. I believe that if this were done by the government and accepted by all of us on this side of the chamber we would be a lot further along with the business of the people than we are at the present time.

As I said, there are no Eskimos in my riding, and no Indians, but I have listened to this discussion for hours, and I still do not know what is the government's position as to why they are discussing this matter after 90 years of federal responsibility. The minister comes from a riding very close to me. Will he stand up in his place right now and tell the committee what has been the failure of 90 years of federal responsibility for the Eskimos in northern Quebec and the reason the province of Quebec should take them over? Why would the Eskimos be better off under Quebec than under the federal government? What is the basis in principle and in fact for this measure now before us? Will the minister get up and give us straight answers to these questions?

An hon. Member: He is not going to answer.

Mr. Winch: The minister will not get up and make a statement?

An hon. Member: No.

Mr. Mandziuk: I am glad the minister refrained from answering the hon. member for Vancouver East because I have a few questions to pose to him, too, and he can answer all the questions together. I too come from a constituency which has no Eskimo population, and I have been listening to this interesting debate.

I have followed the career of Mr. Levesque who has tried to assimilate everything in Quebec, and I should like the minister to tell us what reason Quebec could have for demanding that the administration of Eskimos be turned over to that province. Is it to better their living conditions? Is it to preserve their culture and language? Or is it to assimilate them and make them nonentities or nothing in that province?

That is important. We are concerned. I do not think the other provinces which have Eskimo populations have made any such requests. In 1939, as we know from history, the province of Quebec was very anxious that the federal government should take charge of the Eskimo population, provide for them and educate them. Can the province of Quebec make any improvements? I think the minister should tell this house whether the province of Quebec has promised that. If the province of Quebec just wants them so as to assimilate them, why do they not lay their cards on the table and tell us the truth? I think the hon. member who preceded me asked some very pertinent questions, and the minister in all reasonableness should answer those questions. We do not want to be accused of filibustering. We want to know the facts. We want to know the truth.

Some hon. Members: Oh, oh.

Mr. Mandziuk: If the members on the front benches on the other side of the house did not try to evade the issue and skirt around the questions we have asked, if they would frankly and openly answer these questions, we would save a lot of time.

An hon. Member: Oh, how sincere.

Mr. Mandziuk: You get up and make your own speech.

The Chairman: Shall the resolution carry?

Some hon. Members: No.

Mr. Peters: I do not think it should carry, Mr. Chairman. I think the things that have been said should be either refuted or answered; otherwise everyone will know that the Liberals in Quebec and the Liberals in Ottawa reached an arrangement for support in the last election, as has been charged. I am not willing to support the use of the Eskimos of this nation as pawns in some political arrangement.

We have listened to the hon. member for Carleton and the hon. member for Joliette-L'Assomption-Montcalm put forth two particular ideas. I think they put the extremes on both sides of the case. I believe the case that Quebec is putting to Ottawa and the negotiations that are taking place represent exactly the position the hon. member for Joliette-L'Assomption-Montcalm has put forward. I am quite sure this is the position of the Liberal government of Quebec.

I know that the minister who is responsible for these things is enough of a realist and a federalist to wish to maintain the responsibilities of the federal government in regard to this jurisdiction. But I am sure there is one cabinet minister sitting here this afternoon who was in on the discussions before there were ever negotiations; I am sure he was in on the original arrangements. I am sure that most of the ministers representing the province of Quebec are aware exactly what those arrangements were.

I am not like some of the others; I believe the Minister of Northern Affairs and National Resources is being fairly honest with us when he tells us that he is putting up the objection, and that the memorandum which he has approved is not being agreed to because he has not made any further concessions. My point is that I think he is going to have to make further concessions.

Mr. Mandziuk: Why?

Mr. Peters: I think the pressure from his own party is going to insist on it. I am sure the Secretary of State will have something to say in this regard.

Mr. Mandziuk: So that is the reason.

Mr. Peters: I am sure they are going to put the pressure on him. That is why I think this matter should be left open and no decision arrived at today. For that reason, Mr. Chairman, I would ask that this item stand and that we go on with the other estimates; because I am in an impasse as far as this matter is concerned in that I disagree very much with the position Quebec is taking and I am not sure that the position the minister has outlined is one he will be able to follow through. For this reason, Mr. Chairman, I would ask that this item stand.

Mr. Winch: Mr. Chairman, I would like to support the proposal that this item stand until we can get a really forthright answer from the Minister of Northern Affairs and National Resources as to exactly what is behind this matter. We have not had the situation clarified in any way whatsoever. I too am convinced that there is some kind of a saw-off between the federal Liberals and the provincial Liberals of Quebec. I am convinced that this is a disservice to the Eskimos and a disgrace to the federal government; and if we ever allow this to happen it will be a disgrace to any of us who so do. Therefore I sincerely hope that until we can get the real answer in this House of Commons, this item does not pass.

Mr. Nielsen: Mr. Chairman, there is no reason why the minister should not answer the questions that have been asked of him today and yesterday. I do not think there is any real need for the item to stand. The minister, as his colleagues have so often said, has all the answers, and surely he can give the members of this committee answers to the questions put to him during this debate. We have been subjected to the usual evasions, the usual silences and the usual distortions—I suggest, sir, deliberately—to throw a smokescreen around a very embarrassing issue as far as this government is concerned. There is obviously some reason why the government is sitting silent on the matter.

Mr. Winch: You're darned right there is.

Mr. Nielsen: There are obvious divisions between the Minister of Northern Affairs and National Resources, who wants to fulfil his responsibilities with respect to his department, and ministers like the Minister of Justice, the Minister of Citizenship and Immigration and the Secretary of State. These divisions are very apparent, and no matter how many infantile and stupid interjections the Minister of Transport makes with relation to the constitutional questions involved here, one fact remains; that is that the federal government is by our constitution responsible for the well-being of the Eskimo people of Canada's north.

Mr. Pickersgill: Including the province of Newfoundland, I ask the hon. gentleman?

Mr. Nielsen: I am glad the hon. minister has asked that question, because again this is typical of the smokescreen that he is trying to throw up around this whole issue. With regard to the Eskimo people of Newfoundland, the terms of confederation and the agreement by which they were brought in

bear no relation to this question whatsoever. In the first place, as I am sure the minister knows, the government of Canada was responsible for the Eskimo people long before Newfoundland ever came into confederation. Second, the proclamation of 1763 did not apply in any way, shape or form to the Eskimo people of Newfoundland. Third, as the minister well knows, the Eskimo people were specifically exempted from the terms of confederation between Canada and Newfoundland.

Mr. Pickersgill: That statement is not correct.

Mr. Nielsen: Then perhaps the minister will participate in this debate and inform us just how that statement is incorrect, because he was around in the year in which confederation took place between Newfoundland and Canada.

I wish to refer to one or two other matters which have been raised in this house, Mr. Chairman, and I am sorry the Minister of Justice is not here to listen; because I want to show just what type of deviousness has been exercised by the ministers on the treasury benches when dealing with this question.

For some 20 or 25 minutes yesterday the Minister of Justice skirted all around the points raised and did not answer directly one single proposition put to him by the right hon. Leader of the Opposition and other members on this side who dealt with the constitutional issues. I said to the minister, when I was speaking, that he had mentioned a draft agreement. He said he had mentioned no such draft agreement in his remarks, and I said that *Hansard* would show that he did just that. I said to the minister that no amount of wriggling could get away from those words in *Hansard*. I want to read them now that *Hansard* for yesterday has been printed. His words will be found on page 1965, in the left hand column. The minister said this:

> But what happens in the same case? It has been decided that nothing prevents the federal government, in the exercise of its own jurisdiction, from selecting a body of the provincial government as its representative, its agent to exercise, in accordance with conditions laid down by the federal government, a federal jurisdiction; and the fact that this agent acts on behalf of the federal government is not unlawful, but on the contrary it is completely in accordance with the constitution—
>
> What, then, is the matter involved here? It is merely for the moment a draft agreement under which the Quebec government would agree to look after the administration of Eskimo affairs in the far north, on behalf of the federal government.

They were the minister's words, and within half an hour he denied ever having uttered them.

Again on the same page, six or eight lines from the bottom of the left hand column, he referred to a draft agreement. When I put this question directly to the Minister of Justice and challenged him to deny the existence of a draft agreement, the minister of northern affairs intervened, and as reported at page 1969 he made this observation:

> Mr. Chairman, I think the Minister of Justice has no reason to have any such knowledge of the matter at all;

What is more ridiculous than for the minister of northern affairs to say that the Minister of Justice, who has been in on consultations with the Quebec government officials, has no reason to have any knowledge of the matter at all?

I believe, Mr. Chairman, that the government is hiding something. I believe we are entitled to an explanation as to the underlying reasons for this continued evasiveness. The minister has been sitting in his seat throughout this debate and has said nothing substantial whatever in reply to the questions which have been put to him. He has been asked questions by the hon. member for Vancouver East, the hon. member for Skeena, the hon. member for Timiskaming, as well as several hon. members from this party. Not one of those questions has he answered. He did answer one of mine, and I will accept his word for it, although he cannot blame me for being suspicious at his assertion that there is no agreement in existence. But I am suggesting to him that he has to go further than that. I am suggesting to him that he has to tell us how far these negotiations, so-called, have gone with the Quebec government officials. He must also tell us what is the underlying reason for his colleagues and the government transferring jurisdiction.

The Minister of Justice makes a great show of saying that all the government is doing is transferring the administrative control to the provincial authorities. Surely when administrative control is transferred one cannot get out from under the fact that with that transfer of administrative control must of necessity go a transfer of the power to make policy decisions. Let us assume for a moment that administrative control does pass. Surely with that administrative control is going to go the power to make decisions as to the curricula to be taught in schools; as to the standard of health to be maintained; as to whether welfare programs will be applicable. All these are matters of policy, and you cannot say under the blanket of a smokescreen that we are retaining on behalf of the federal government this responsibility and merely transferring the paper work to the province of Quebec. That matter has to be

clarified before the hon. members of this house should be asked to accept any such transfer.

The Minister of Transport in his intervention when the hon. member for Peace River was speaking, which intervention I suggest served more to confuse than to add anything, asked a question concerning the Eskimo people of Manitoba. This too has no relation to the problem at all because there were no Eskimos in Manitoba, as the minister well knows. The federal government transported them from the Northwest Territories into the province. If he is using that as the basis of his argument he might as well say that the federal government could transfer all the Eskimo people from their homes in the north to Prince Edward Island and transfer jurisdiction over them to that province. So that the minister's argument on that point is specious indeed.

Another very important question which the minister must answer before this item passes relates to the dismissal of Mr. McTaggart. The minister rose in the house when asked a question on the matter the other day and stated that Mr. McTaggart did not resign, but Mr. McTaggart himself seems to have another view. In an article appearing in the Winnipeg *Free Press* Mr. McTaggart is quoted as having said that the Quebec authorities—

> —have been carrying on a "smear campaign" aimed at "getting rid of anybody who has any influence on the Quebec Eskimos".

The article continues:

> He said that Mr. Laing, on his visit to Fort Chimo, was told by Eskimo leaders that they did not want their affairs to be taken over by the provincial government.

Mr. McTaggart went on to say, after having explained how he published certain of his views in the *Northern Star*, which is a mimeographed newspaper which he started three years ago in order to knit the Eskimo community of Fort Chimo together, that:

> Within a day, word of the article had reached Ottawa and a rocket was heading back to Mr. McTaggart telling him to keep quiet.
>
> It came in the form of a letter from the director of the northern administration branch of the department of northern affairs to the department's acting administrator in Fort Chimo.
>
> The letter pointed out that department regulations prohibit federal employees from writing for publications on department matters without prior clearance from their superiors.
>
> It closed with these words:—

This is the letter from the department as reported in the Winnipeg *Free Press*:

> "In no way whatsoever am I anxious to take any action which could be construed as curtailing the freedom of the press, but at the moment it is almost imprudent for any departmental employee to publish unauthorized articles on the subject of Eskimo affairs in northern Quebec".

If it was not the intention to limit the expression of free speech, why did the directive not include a specification that there be no opinions published at all without clearing them through the department? Why restrict it to this one problem? Why was he told to be silent only with regard to the Eskimos of northern Quebec? I think there is some explanation required there. The letter continues:

> "Mr. McTaggart is, therefore, asked to govern himself accordingly and to publish nothing on this subject or any other matter of departmental business without first obtaining approval from the district administrator".
>
> At the moment, Mr. McTaggart said, that appeared to be the end of it and he prepared to comply with the directive.
>
> A few days later, he received another letter telling him that, since he had broken the directive, he was being transferred immediately out of Fort Chimo. He was told to be out by March 6.

This man was the principal of a school who had occupied that office for three and a half years and was prepared to comply with the directive issued by the minister's department. A few days after receiving this letter—unless there was some intervening conduct of which the members of this committee have not been told—having done nothing further to raise the ire of the departmental officials, he is told to be out by March 6. Why? Was he a disturbing influence on the relations which the government wanted to maintain with the government of which Mr. Levesque is a member? I think some explanation should be forthcoming there.

Mr. McTaggart spent a week in Ottawa and was offered another school in the Northwest Territories. Instead, he turned in his resignation. What other course was there for this gentleman to follow? The department practically said "Get out of the school at Fort Chimo where you have been principal for three and a half years, in the middle of the term, and here is another school." This was in the middle of the winter, and he was tossed out on his ear by the department. The other teachers followed by requesting transfers out of Quebec.

Now, I think we are entitled to explanations today. There seems to be a certain amount of loyalty expressed by the teachers at Fort Chimo school for the actions of Mr. McTaggart, even though they did not appear to be consistent with what the government wanted. When he was asked by the interviewer, probably the gentleman who wrote the article, why he was transferred when the matter had apparently been settled by a warning, Mr. McTaggart said "I'm told it

was pressure from Rene Levesque's department." This was Mr. McTaggart's answer.

Now, these questions have to be answered. The minister cannot discharge his responsibility to this committee by remaining silent any longer. Someone has to answer for the government. Surely it is this minister who is responsible for that. He knows, as well as I do, that by section 5 of the act which sets up his department he is given specific responsibility for the administration and welfare of the Eskimo people in Canada. Without altering the constitution of this country, without an amendment to the British North America Act, and without an amendment to that specific act, he cannot duck that responsibility. He cannot slough it off as the government apparently wants to do. I am not suggesting the minister wants to do it, but he is confronted with pressures inside of his own cabinet that he apparently cannot resist. We on this side of the house are prepared to support him to the hilt in the discharge of his responsibility. I know he, in all conscience, wants to do that.

Mr. Winch: I feel very certain the minister is going to get up and answer some of the questions that have been asked. I feel very certain of that, sir, because if he did not he would be a bit of a disgrace to his city and province. I should like to make certain he will answer one question if he does not answer any others. Will the minister tell this committee just what it is under his jurisdiction, as the great white father of the Eskimo people, he has not done, is not doing or is not prepared to do for the Eskimos that he thinks the government of Quebec could do if jurisdiction were transferred? I have put this question bluntly.

Mr. Laing: Mr. Chairman, when I first visited an Eskimo group in the Northwest Territories I told them, through an interpreter, that at the end of my visit I would be far less concerned about my thoughts of them than their thoughts of me. I am beginning to wonder today, when news of what has gone on in this house in the last couple of days gets back to the Eskimos, what they will think about us. I am going to say unhesitatingly that the administration of the Eskimos in the territories in which they reside is excellent indeed. It has not been excellent merely since April 22 last; it was excellent before that.

I only wish some of the members who are sitting here and talking so much about Eskimos had an opportunity of visiting in those areas that are extremely primitive. We are doing a very good job in ministering to, if not administering, the Eskimos, and that goes for health matters and everything else. A great number of questions have been asked. Some of them I do not believe are worthy of a great deal of time in answering. My old friend at the far end of the house from Vancouver, who seems to believe that the importance of the things he talks about must be related to the decibels of sound he emits, asked me a question. He used rather rough language, but I am going to assure him at once that I am not going to return his rough language in kind.

Mr. Winch: Will you answer the question?

Mr. Laing: We are dealing with people for whom I think most Canadians would admit we have not done a very good job in the last hundred years. I am speaking about Indians and Eskimos. However, I believe at the present time we are doing our best to do a job. So far as financial requirements are concerned, there has not been any limitation imposed by this government on those things that are necessary for these people; nor by the previous government, either.

Yesterday the Leader of the Opposition referred to them as those poor, untutored fellow Canadians. I want to assure him they are not as untutored as he might think.

Mr. Diefenbaker: This is what I hope the government finds out.

Mr. Laing: I think he should be told, if he does not know, that a great many of these people are very clever indeed. They have a natural cleverness, let me assure him.

Mr. Diefenbaker: A natural cleverness.

Mr. Laing: This is shown in connection with their operation of machinery. We find in the schools that these youngsters are making just as much progress as white children.

Mr. Diefenbaker: They are wondering who is throwing the monkey wrench into the works.

Mr. Laing: I think I can interpret the feelings of the Eskimo people a little bit better than the right hon. gentleman.

Mr. Nielsen: He has been in the north more often than you.

Mr. Laing: The whole difficulty with this part of the country is that it is very large. I am asked, why would Quebec want to take it over?

Mr. Mandziuk: Yes, why?

Mr. Winch: Why do you want to let it go?

Mr. Laing: I have not said I want to let it go.

Mr. Mandziuk: You have not said you do not want to let it go?

Mr. Laing: Should I say either?

Mr. Mandziuk: I think you should.

Mr. Laing: On which side of the fence is the hon. member for Marquette, or is it a picket fence?

An hon. Member: Are you with Pigeon or Diefenbaker?

Mr. Nielsen: Will the minister permit me to ask a question?

Mr. Laing: No. In this area of fantastic size we have a number of locations and communities. Let me read some of them.

Mr. Churchill: Why don't you just answer the questions? The descriptive material you are giving us is very good, but answer the questions.

Mr. Pickersgill: Why don't you allow the minister to speak, as we have allowed you to speak?

Mr. Churchill: I have not spoken on this yet, but I will in view of your interjection.

Mr. Diefenbaker: "We have allowed you"; is that the position of the government? Thank you for the permission.

Mr. Laing: Let me remind hon. members that at Fort George we have 1,000 Eskimo people and 33 white people. At Paint Hills there are 418 Eskimo people and no white people. At Great Whale River there are 418 Eskimo people, 225 Indian people and 37 white people. At Port Harrison there are 339 Eskimos and 34 white people. At Povungnituk there are 460 Eskimos and 16 white people. At Sugluk there are 250 Eskimos and seven white people. At Wakeham Bay there are 122 Eskimos and three white people. At Payne Bay there are 160 Eskimos and four white people. At Fort Chimo there are 400 Eskimos and 75 white people.

Here we have a situation where, as a result of the boundaries decision of 1912, all this enormous area was added to the province of Quebec in very recent years. I am surmising now for the benefit of the hon. member for Marquette what is the wish of the government of Quebec.

Mr. Mandziuk: May I make a correction? I asked why Quebec is so anxious to get hold of these Eskimos and the administration of their affairs. I think the minister knows if he cares to tell us.

Mr. Laing: The hon. member asked why. He asked one way and then he asked another way. He is running both ways, of course.

An hon. Member: So are you.

Mr. Laing: If he will be a little more patient I think I can probably give him my idea why the Quebec government wishes to expand its administration into the area. In recent years there has been some indication that the area has considerable resources in minerals.

Some hon. Members: Oh, oh.

Mr. Laing: I say there has been some indication; yet hon. members opposite say "oh" as if it was a terrible thing that they should find minerals there. This area is a part of the province of Quebec, and the government of that province are anxious to extend development of their province northward. We know that, among other things, a very important deposit of asbestos has been found at Sugluk, which is on the northwest corner of the extended great peninsula. There have also been other indications. A number of iron deposits have been found and there are other minerals there. The province is looking forward, of course, to the development of the northern part of its territory.

This situation has existed throughout the term of the present government and also the previous government so far as the citizens there are concerned. After all, people are the first asset of the region, and unless you can use the people who are there you are not going to develop the resources that lie there. The citizens are Eskimos whose numbers are added to by a small number of white persons who, almost without exception, have been employees of the Department of Northern Affairs and National Resources. I have given figures such as 250 Eskimos and seven white people. The seven white people are employees of ours. I believe these are the reasons the government of Quebec is interested.

With regard to the innuendo that has been thrown at me and the manufactured questions and half-manufactured answers of the hon. member for Vancouver East and the hon. member for Yukon, I can only say that I stated the actual facts yesterday and if hon. members will read what I said then, they will see what the situation is. There is very little I can add.

The government of Quebec asked us to discuss the matter with them and we said we would. We have met ministers of the government of Quebec on two occasions. Since then the matter has been left to our officials to discuss with officials of the province of Quebec to see whether, on the basis of the memorandum that I put before the house, a draft agreement could be arrived at for submission to the two governments. I said yesterday that we had made almost no progress at all in coming to any draft agreement.

The matter of finances and how they will be handled has to be discussed at the ministerial level by the two governments, and we have not met at all up to this point. So

when the hon. member for Yukon says he is suspicious I hope that in this respect at least, if not in others, the hon. member will overcome his suspicions. I was very frank with the house yesterday, and I have been as frank as I can be today. The situation today is no different from what it was yesterday. We have made practically no progress at all in the negotiations. As I said frankly to the house yesterday, the matter hinges on the basis of what is involved in consultation with the Eskimos. I defined what that should be in our view, and we will continue to insist upon the consultation that we propose to have with the Eskimos before any agreement is signed.

The hon. member also dealt with the school teacher. He got up and said the school teacher had been dismissed. The hon. member knows he was not dismissed.

Mr. Nielsen: Forced to resign.

Mr. Laing: He was offered another position within our department at Ottawa, not in any school. He came down here and indicated to us, as a matter of fact, that he would accept. He came to Ottawa and then left afterward. If statements picked up thereafter by newspapermen, and probably qualified in some cases by newspapermen, are going to be read into the records of the house as facts and held against us, then we can get nowhere at all, of course. I have attempted to say that this man was a valued employee of the department and I hope he works for the department again. I do not want to say anything about him, and I do not think the hon. member does, which would affect his future. He is still a young man with a very bright future.

Mr. Nielsen: Why did you force him to resign?

Mr. Laing: He was not forced to resign, as my hon. friend knows.

Mr. Nielsen: Why did you yank him out? Why was he brought out of Fort Chimo?

Mr. Laing: I think the hon. member would not be prepared to argue with me when I say that we cannot have our employees making comments upon policies of this administration or of the department. I think the hon. member has some understanding of business. How would he like to run his business that way, with his employees commenting publicly about the way the boss was running the business?

Mr. Nielsen: That is why he was taken out.

Mr. Laing: The hon. member can make any comment he likes. I pay less and less attention to the comments he makes.

[Mr. Laing.]

Mr. Peters: Could I ask a question?

Mr. Laing: Just a moment.

Mr. Peters: What will be the basis of consultation?

The Deputy Chairman: Order.

Mr. Laing: The matter of the constitutional responsibility of the various provinces with respect to these people has been dealt with by the Minister of Justice and other members of the house, and I am not going to deal with it. I think it has been agreed in all corners of the house that in the years that lie ahead of us the best results with respect to these indigenous peoples will be achieved by bringing them into general comity with the other people resident in the areas where they live. If members on the other side are going to say this is not the year to do it in Quebec, that is another matter, but generally speaking I think there is universal agreement that this is the best thing for all concerned.

Instances can be given of agreements made when the right hon. gentleman was in power with respect to education in a number of places in Canada, and I can assure him that the results have been excellent indeed. We have 2,300 Indian children in our high schools in the province of British Columbia today, and I want to say that they are as good students as any others. I think that policy would meet with the approval of members on both sides of the house. But if it is going to be contended in respect of the Eskimos of northern Quebec that this is not the time, that is another matter; and that argument can be made, of course, in respect of any area or group of people in Canada from time to time.

Mr. Winch: Is the minister prepared to give an answer to the final question I asked? Can the minister give any indication to members of the house as to what greater care or protection the province of Quebec could give these Eskimos than his department is giving or is prepared to give?

Mr. Laing: The province of Quebec as it expands northward, and in fact the other provinces that are moving north, take their provincial services such as police, welfare, administration of lands and so on with them. I would think any province that is of good heart at all could extend those services to the native people with better results than might be possible through the intervention of a national government.

This is my own opinion, and I was very frank yesterday in dealing with the situation in respect to the Indian reserve in my own riding, where the native children are now going to a white school. This is not of great moment at present, because we have insisted

in the memorandum we set out that the standards of service to these people—where a province is going to take over their administration—be not less than the standards which we have been operating and which we would expect to operate in the years ahead.

Mr. Winch: You have set out a memorandum. Are you therefore approaching the government of Quebec on this, and could we have a copy of that memorandum?

Mr. Laing: The memorandum I referred to was that presented to the house on March 4, setting forth the guide lines for the minimum requirements we would insist upon in any dealings with the province in respect of these people.

Mr. Nielsen: Mr. Chairman, unlike the minister, I listen to what he says very carefully indeed. He did say in answer to my hon. friend from Marquette, "I have not said I am prepared to let it go," that is, the administration of the Eskimos in New Quebec. That is what he said just a moment ago, as *Hansard* will show. Yet on March 4, as recorded at page 506 of *Hansard* for that date, the minister said, in words with which I am sure he is extremely familiar:

> —Canada is prepared to have Quebec administer Eskimo affairs as part of Quebec's general administrative responsibilities in the province—

Now he has said that hon. members on this side are taking both sides of the question; but if he has not done that just this moment then I do not know what he has done. On the one hand he has said that he has not said he is prepared to let the matter go to the Quebec authorities, but on March 4, in very clear words, he said he is.

Again, to point out the deviousness of these ministers, the Minister of Justice said, as reported at page 1964 of yesterday's *Hansard*:

> What is not true is, first of all, that the present government tried or is trying to make a transfer of jurisdiction. Neither is it true that we are trying to lay down conditions for the administration of Eskimo affairs—

Yet the minister of northern affairs put on record in his conçensus on March 4, the guide lines, as he called them, that will guide any conferences between the two governments in an effort to reach an agreement to transfer jurisdiction over the Eskimo people.

What one minister is saying is quite different from what the other is saying, and what the other minister is saying is quite different today from what he said on March 4.

We are still not getting the answers we sought. For the benefit of members of the committee the minister should stand on his feet and say nobody is trying to impute any veracity to the questions that are being asked of the minister, merely by asking them, and nobody is trying to give a statement, made in the house, the validity of truth simply because the minister is silent. All we want are some answers to questions, and we want direct answers.

I think the minister has already said it, but in view of what he said to the hon. member for Marquette I think we have to have some reassurance on this point, that what he said on March 4 was the intention of the government to reach an agreement with the provincial authorities for the transfer of jurisdiction over the Eskimos?

Mr. Pickersgill: The minister did not mention jurisdiction in that statement.

Mr. Nielsen: Well, the Minister of Justice certainly mentioned jurisdiction yesterday.

Mr. Pickersgill: And he said it was not going to be transferred.

Mr. Nielsen: Quite so, but the minister of northern affairs said on March 4 that the government is prepared to have Quebec administer Eskimo affairs.

Mr. Turner: Is there not a difference between administration and jurisdiction?

Mr. Nielsen: Oh, is this the hair they are splitting? It is a hair so fine you can hardly see it.

Mr. Pickersgill: May I ask the hon. gentleman a question. The harbours board is under the jurisdiction of the Minister of Transport, but the Minister of Transport does not administer the harbours board. The harbours board was an agency created for the purpose of administering the harbours. The Minister of Justice, the minister of northern affairs and every other member of the government who have spoken, have made it perfectly clear that, even if we wanted to, we could not transfer the jurisdiction because it is vested in this parliament. So there is no difference on the part of any of us on the question of jurisdiction. The only question is whether or not some of these things under the jurisdiction of parliament can be administered by another agency, as has been the case with Indians, and as my colleague the minister of northern affairs has pointed out.

My colleague has also pointed out that the government is not prepared to entrust any administration to the province unless the fundamental conditions that were in that memorandum of March 4 are met.

Mr. Nielsen: I am very happy to hear the Minister of Transport use the words he did, namely that this matter is the responsibility of parliament and that no jurisdiction can be transferred without the approval of parliament.

Mr. Pickersgill: I do not think it could, even with the approval of parliament. I think it would require an amendment to the constitution.

Mr. Nielsen: I was going on to make that very point because that is what the Leader of the Opposition has said, and that is what the hon. member for Peace River has said all along.

Mr. Pickersgill: And what everybody on this side said all along.

Mr. Nielsen: That is not correct. The Minister of Justice made a great case for saying that the government could, by way of agency, transfer part of the jurisdiction that the federal government has over Eskimos.

Mr. Pickersgill: And the hon. gentleman talks about splitting hairs. I have not read all that the Minister of Justice said, but what he said to me and to my colleagues about this matter was that the government has the authority to make an agreement for the carrying out of certain functions. I am only too happy, as I am leading the house at the moment, to say, as the Minister of Justice said yesterday, that if and when any such agreement is made it will be brought into the house and laid on the table. The life of the government will be staked on it, and no action will be taken until parliament has had an opportunity to challenge it and throw us out if they do not like it. What is more, we cannot spend any money without its being voted by this parliament.

Mr. Diefenbaker: That is what is happening now.

Mr. Pickersgill: The right hon. gentleman says that is what is happening. The right hon. gentleman knows perfectly well that the only money being spent is being spent by my colleague, the minister of northern affairs, and the only money that can be spent, until parliament decides otherwise, is in the way that parliament prescribes that it shall be spent.

Mr. Nielsen: The minister talks about splitting hairs. The real trouble is that here we have an expert on parliamentary procedure who does not really understand the distinction of what comes under parliament and what comes under the authority of the government, because he just said a moment ago that it is parliament has the responsibility of jurisdiction over the Eskimo people, and in the next breath he said that the government can, by executive action, transfer part of that jurisdiction.

Mr. Pickersgill: I will not have words put in my mouth. I said the government could make an agreement to have certain functions performed, and indeed the government performs practically none of the administrative functions. They are performed by civil servants. They are performed by crown corporations. In many cases, ever since confederation the functions with respect to fisheries, I believe, have in certain provinces been performed by provincial governments under arrangements which were made. It is true to say, as I venture into this constitutional field—and I can see the Leader of the Opposition all but springing up—it is true the courts have decided that a legislature cannot delegate its jurisdiction to parliament and that parliament cannot delegate its jurisdiction; so all it could possibly do would be to make some adminstrative agreement under the authority of parliament and under the authority of the minister.

Mr. Nielsen: Would the hon. gentleman stop right there. He has said the government has the authority, in the same sense as it has with crown corporations and the other examples he has given, to have certain administrative controls—

Mr. Pickersgill: "Functions" not "controls". Use the words I used.

Mr. Nielsen: Let us use the word "functions" then. But in all the cases he has mentioned, including as he well knows, the case of the Indians under section 113, there exists parliamentary authority to do that very thing. But can he say where authority exists for the transfer of any function of the federal government with respect to Eskimo affairs? He cannot do so because no such authority exists.

Mr. Pickersgill: If that is the problem, I think it can be cleared up at once. Everybody in this committee knows, I am sure, that no government, however powerful it may be, can do anything that it is not empowered to do by the constitution, by the law and by parliament. Ministers have no power of their own; they have only such powers as as the law gives them. That is why they are called ministers. They are responsible for everything they do, to parliament in this situation, and I know I would not argue, nor would anyone on this side of the house, that any minister could make a valid agreement unless there was legal authority in existence for his making such an agreement. We are not arguing that for one moment. Equally, parliament cannot make any agreement with anyone. Parliament is a sovereign body and it cannot make agreements. Any agreements which are made under the law have to be made by someone entrusted by parliament with doing so or, in a few rare cases which survive, under the prerogative.

But clearly, under our constitution, unless the minister has the power under the law he cannot do anything and there will be no attempt in connection with this matter or any other to try to make any agreement or do anything else which we are not empowered by the law to do.

Mr. Diefenbaker: The general principles enunciated by the minister a moment ago are certainly in accordance with the facts and the law.

Mr. Pickersgill: I thank the right hon. gentleman for saying that.

Mr. Diefenbaker: I thought it was a fair summary of the situation and nobody is in disagreement with that general enunciation. However, where we do disagree is that there is no power in parliament to authorize the minister to make such an agreement with regard to Eskimos. There is in respect of Indians provision under the Indian Act specifically excepting Eskimos therefrom, and the fight we are putting on is to get the government to carry out the principles which the minister has enunciated as being proper and appropriate. We do not want to carry on a fight indefinitely. We have responsibility for these people. The government for the time being has a responsibility which we say they are flagrantly and unconstitutionally endeavouring to dispose of outside the law. There is, apparently, a difference of opinion. In 1939 there was a submission to the Supreme Court of Canada.

I make a suggestion, now, in the hope that it will meet the approval of those who have participated in this discussion from this side of the house. There is no rush about this. The Eskimos have got along very well. According to the minister they have received unusual consideration. I gather from his words that every opportunity has been given to them in recent years. The hon. gentleman dealt with the past and said we had not always been considerate of the Indians and the Eskimos. He very fairly stated that, and it is true. But today, in every part of our country and, indeed, all over the world, a psychology is building up that there must be no second class citizens—that everyone must have equal opportunity. He said, as well—and again, I underline the words he uttered at that meeting to which I made reference yesterday—"We want government of laws, not men". But what is being done here, if our view is correct, is the establishment of a government of men, not laws. In other words, we say, and the authorities bear us out if our interpretation is correct, that this government has no power to do that which it is endeavouring to do in these negotiations. If the 1951 case, or the reference to the supreme court in Nova Scotia *v.* the attorney general of Canada means anything, it means that this cannot be done under the law. And I now make this suggestion in order that we may move ahead. Let us move ahead. I repeat what I said a moment ago: There is no rush about this; we do not have to accelerate the speed which has been apparent from the government side in this connection.

Mr. Pickersgill: Perhaps the right hon. gentleman would allow me to say, speaking of acceleration—

Mr. Diefenbaker: In a moment. I am speaking now about the acceleration, the unusual energy with which the government has entered into these discussions. What is the rush? What is the reason for it? The hon. member for Vancouver East asked: What is the reason for this? What are the advantages for the Eskimo? Why the haste? Why these continued discussions which are going on in order to bring about agreement? If there is no real need for haste, and I am sure there is not—the development of those commercial resources of which the minister spoke would not be delayed in any way by following this suggestion I am about to make—why not do this? Why does the government of Canada not submit to the supreme court a reference as to whether or not parliament, or the government purporting to act under the powers that parliament grants, has the authority to do this? We say it has not. We say it is illegal and unconstitutional.

Mr. Pickersgill: Would the right hon. gentleman permit a question for the sake of clarification?

Mr. Diefenbaker: Let the hon. gentleman wait just a moment until I have finished. I know the haste with which the minister always moves, as he once moved in the Fort Garry hotel in Winnipeg—but I do not want to go back to that; I saw reference to it in the press only today. I say this to the Minister of Transport, who is senior in so many ways, with the great authority he has had in administration, having been a kibitzer in council for so long—

Mr. Pickersgill: Would the right hon. gentleman tell me what that word means?

Mr. Diefenbaker: I will tell you. Just take a look at yourself in the mirror occasionally. In view of the declaration of these principles, I ask the minister—he knows the principles; he has enunciated parliamentary law and tradition correctly—to now place this matter before the Supreme Court of Canada and ask the supreme court whether this power exists;

and if it does, then the government will be in a position to act. We believe that it does not.

Mr. Pickersgill: Mr. Chairman, I would like to make a reply to the right hon. gentleman, but I would first like to know what I am replying to. On several occasions he used pronouns that had no antecedents, and I always like to know what I am talking about, if I can. He kept saying "this". What did he mean by "this"? Did he mean jurisdiction, or did he mean the discharge of certain functions that would remain under the jurisdiction of parliament? I could not give any answer until I know which of these two things he means.

Mr. Diefenbaker: I appreciate the difficulty under which the hon. gentleman operates, and I am not here to try and cast any aspersions on his lack of understanding. What I was endeavouring to place before the committee was this; that the government should submit a reference to the Supreme Court of Canada on the question as to whether the government, carrying out the powers that parliament gives it, can enter into an agreement whereby it will transfer, sublet or in any way assign the control of the administration of Eskimos, as would be the case in the agreement the general principles of which the minister has placed before the committee.

Mr. Pickersgill: Mr. Chairman, I think I can answer that question very easily. The government has not the slightest intention, as I understand our intentions—and I think I understand them quite correctly—of transferring any jurisdiction at all to anyone; therefore it would be redundant to ask the supreme court whether we could do it or not. We feel that the legislative jurisdiction exists in this parliament, as decided in 1939. We feel that the Nova Scotia case, to which the right hon. gentleman referred, applies to it and that it would not be possible without an amendment to the constitution; and it seems to me it would be rather needless to make this reference, if we are talking about jurisdiction. If, however, we are talking about the kind of agreement that I made with the Sarnia school board for the education of the Indians in the schools of Sarnia, that is a matter, as the hon. member for Yukon has said, with regard to which there might be some question—whether the government could make such an agreement without being specifically empowered by parliament to do so. I am not a lawyer and I would not like to express an opinion on that point; but I would think that if it was within the power of parliament under the Indian Act to give me as superintendent general, and to give Mrs. Fairclough as superintendent general, and to give—who succeeded Mrs. Fairclough?

Mr. Diefenbaker: Yes, you have had so many changes over there.

Mr. Pickersgill: You had so many changes over there. I was referring to one of yours. Perhaps the hon. member for Winnipeg North Centre could tell us who succeeded Mrs. Fairclough when she was promoted to the post office.

Mr. Knowles: Mr. Bell.

Mr. Pickersgill: Mr. Bell, oh yes. The bell tolled for him too. Mr. Chairman, I do not want to interrupt this serious argument with facetiousness of that sort, but if the right hon. gentleman is asking us to ask the supreme court whether the government would have the power, as the law stands now, to make this agreement, I do not think we should ask the supreme court a question of that sort—

Mr. Diefenbaker: Well, Mr. Chairman—

Mr. Pickersgill: I hope the right hon. gentleman will listen, because the hon. member for Yukon has pointed out that under the Indian Act the power to entrust certain functions was given to the government.

Mr. Diefenbaker: For Indians, not for Eskimos.

Mr. Pickersgill: If there is any serious doubt that the power exists, it is within the competence of parliament to remove that doubt. Therefore it would seem to me redundant to ask the supreme court that question too. But I will say this. The right hon. gentleman knows I am not the head of the government; he knows we cannot decide questions like that here in the house. But I will undertake, without any hesitation, to bring this matter anew to the attention of my colleagues and if there is any serious doubt whatsoever that the government has this power, and if we feel that, not having it, we want to have it, we will not attempt to exercise it without having that doubt removed by parliament, if parliament wants to remove it.

Mr. Churchill: Mr. Chairman, may I ask one question of the minister? With whom does that doubt exist? The way the minister expressed it, I think he implied that if the government had any doubt, they would not do it. Could he not put it this way? Will he not inform his colleagues that doubt with regard to the power of the government exists in the minds of a great many people.

Mr. Pickersgill: It has been expressed in this house by some very eminent lawyers, and some lawyers who are not yet quite so eminent, and I will convey that doubt to my colleagues. There were doubts expressed, as the right hon. gentleman and the hon. member for Winnipeg South Centre will recall, about a power the previous government took upon itself to act by order in council. We made a very serious endeavour to get parliament to pronounce upon that question, and the hon. gentleman used every kind of device to prevent parliament pronouncing upon that question in that last parliament, which did not last very long.

This government certainly has no intention of attempting to do something that we believe we do not have the legal power to do. Since these views have been expressed, I undertake to bring them to the attention of my colleagues. What is more, I reiterate the undertaking given yesterday, that if the law officers reassure the government on this point; if—and these are very big "ifs", as the Minister of Northern Affairs and National Resources has already pointed out—after that, any agreement can be arrived at and any agreement is arrived at, it will not be implemented before it is laid on the table of this house and before there is ample opportunity for the fate of the government to be determined with respect to it.

Moreover, the Minister of Northern Affairs and National Resources has also indicated that these functions for which we have the responsibility and for which we will continue to have the final, ultimate responsibility under our constitution, cannot be exercised unless someone pays for them; and we cannot pay anything for them unless this parliament votes the money. So there will be at least two, and I suspect there would be a great many more than two, opportunities if ever an agreement is made in this matter—and there is no assurance of that at all—for this parliament to pronounce upon any such agreement.

Mr. Churchill: Why don't you chuck the whole thing?

Mr. Nielsen: Why don't you abandon the idea?

Mr. Prittie: Mr. Chairman, I have not spoken in these debates at all with regard to the supplementary estimates, in the foolish hope that if I did not speak we might speed things up a little. There were a number of departments in which I was interested. We have heard a great deal about this particular matter and members of the official opposition have put forward their different views and complaints with regard to the government's handling of this problem of the Quebec Eskimos. It seems to me that the point has been made over and over and over again, and surely the government must understand it by this time. We have not an agreement before us. If an agreement comes before us, these points can all be raised again at that time. I suggest we will not make much more progress. The point has been exhaustively made. Speaking as an ordinary member I know the views of other ordinary members of other parties, and they are fed up at the length of time that these supplementary estimates are taking. The only purpose to be served by continuing with them is to bring parliament even further into disrepute and to grind it to a halt.

Mr. Diefenbaker: Parliament is never brought into disrepute when a great principle is being fought on behalf of the people, and I emphasize that fact.

Mr. Howard: Only when unprincipled people are dealing with it.

Mr. Diefenbaker: That comes with the authority of the hon. member for Skeena. I am not referring to the hon. member who has just made a statement when I say this, but there is a remarkable degree of alliance between the Liberal party and the hon. gentlemen to my immediate left in the New Democratic party, who invariably come to the rescue of the government whenever they are in difficulty. I would say this to the minister: Why not submit the agreement containing the generally projected terms which have tentatively been discussed by the government of Canada and the government of the province of Quebec to the supreme court? The hon. gentleman said that if the government comes to the conclusion that it has any doubts on the question, then it will take certain action. Do you think any government, having determined on the course already determined upon, would have any doubt? It must have had no doubt when it decided on the course it has proceeded on so far. We are perfectly willing to do everything we can to assist in placing this matter in a position which is fair and just and maintains the law and the constitution.

The hon. gentleman says that we will have an opportunity after the agreement is signed to debate the matter. It will be brought before parliament and the government will regard a vote in that connection as a vote of non-confidence. In reality that is what he said, and it is meaningless. What possible defence will that be if the principles of justice under the law and constitution of the country have to depend on a vote in this house on a motion of confidence in the government? We

have had that experience over and over again and on a matter such as this. It is no reflection on hon. members when I say that the outcome would not be in any doubt.

This is a matter which touches on the freedom of the individual and the constitution of the country. Mention was made of the right of administration as a result of the agreements, entered into with respect to Sarnia. Those agreements have been entered into, it is true, under law passed by parliament. But there is no statutory authority for what the government purports to do in this connection. It is because there is no statutory authority and because constitutionally we believe this cannot be done without amendment to the constitution that we have asked that the government place before the Supreme Court of Canada a reference in this connection. I think that is a reasonable suggestion. There will not be any delay. There is no rush to secure the implementation of any agreement which may be entered into. And above all, such a course would ensure that constitutionally we will not be playing fast and loose with a matter which today exercises the minds of the people of Canada, namely the preservation and maintenance of constitutional rights and authority. That is the reason for these suggestions.

Mr. Knowles: Mr. Chairman, there are two things the Leader of the Opposition said which I should like to support. First of all, I support his suggestion that this matter might be referred by the government to the supreme court. Surely—

Mr. Pickersgill: Would not the hon. gentleman, who is usually pretty clear headed about things, tell us what he means by "this matter"? I said that we were not interested in divesting ourselves of the jurisdiction, so the question of jurisdiction is not *en jeu* at all. Will the hon. member say precisely what he thinks should be referred to the supreme court?

Mr. Knowles: I shall be glad to do that, but I thought we had completely and unanimously agreed that there is no question of jurisdiction involved. Therefore, it is not even necessary that we talk about it; the jurisdiction is settled by the constitution and the interpretation of it. I am referring to the authority to make the kind of agreement the terms of which have been indicated to us. It is the authority of parliament, or of the government which has been given the authority by parliament, to make such an agreement on which I think it would be useful to have the opinion of the Supreme Court of Canada. I am sure that both the Leader of the Opposition and the Minister of Transport will give me credit for consistency in that a year or so ago, when there was doubt in this house about an order in council that the previous government had enacted I asked the government to refer the matter to the Supreme Court of Canada. I think this would be a good thing to do in this instance.

The other point the Leader of the Opposition made which I should like to support very strongly is that it is not quite good enough to lay on the table of parliament an agreement of the kind in question, and then merely to submit the life of the government to the House of Commons in a vote of non-confidence. If I may go back to what happened in the last parliament, I would remind the Minister of Transport that is precisely what the previous government did in respect of the surcharge order in council, and the Minister of Transport did not like it one little bit. During the life of that parliament many of us called on the then government to do something about that surcharge order in council, but we were told several times by the then government that there were votes of confidence in this house on the issue, that the government of the day had been sustained, and therefore that settled the issue.

The hon. gentleman knows that when we have votes of confidence, whether on the address, on the budget, or on a supply motion, they get pretty confused. We are told that anything which the government may be planning—family allowance payments, if you please—is at stake, so that you do not get a clearcut decision on the matter itself.

I think it would be fair to have this matter of statutory authority for the kind of agreement which is envisaged brought before parliament as a piece of legislation. This other device I realize is legal and is used at times, but I do not think it is good enough in a situation of this kind. The Minister of Transport may tell me that that is what happens with a declaration of war; that a declaration of war does not have to be approved by parliament as such, that all that is required is that the government summon parliament, if it is not sitting, within 10 days and submits itself to parliament. But this is not a declaration of war which requires to be dealt with in those terms. This is something about which there have now been raised some pretty serious questions, and I think they should be dealt with definitively.

It seems to me that there are two ways to do this. Either you get an opinion from the Supreme Court of Canada or you bring the matter before parliament in terms of specific legislation. Perhaps I should say that both these things need to be done instead of "either/or". We should get the opinion of the Supreme Court of Canada, and if the opinion is that the agreement is one which

can be made I suggest it be brought before parliament as a specific piece of legislation, rather than to use this device of saying that we can move an amendment to a supply motion. This is what the Minister of Transport is saying—"We will lay the matter on the table, and then on the next supply motion you can move a motion of non-confidence in the government on this issue". Then of course, when the debate takes place, all the other issues that are before parliament can be brought forward.

We want to get a vote on that issue itself. It seems to me that these two suggestions the Leader of the Opposition has made to the Minister of Transport have validity, and I hope they will be given serious consideration by the government.

Mr. Pickersgill: They certainly will be given serious consideration. I should like to say that I do not have any such low opinion of my fellow members of parliament as seems to be entertained by the right hon. gentleman and the hon. member for Winnipeg North Centre. The government did not envisage having a matter of this importance mixed up with anything else. When the Minister of Justice said yesterday we would lay this thing on the table and give ample opportunity for a want of confidence vote, we meant a want of confidence vote related specifically to any such agreement.

Mr. Knowles: Will the minister permit a question?

Mr. Pickersgill: Yes.

Mr. Knowles: Does he undertake, in that situation, that there would not be anyone from the government side who would stand up and say: Now if you vote against us on this you are defeating the government and you are going to have an election before there is a Canada pension plan, before there are increases in family allowances, or any of the other goodies the government has in store. Does the minister undertake we would not be faced with that kind of argument?

Mr. Pickersgill: Well, if you defeat the government, you defeat the government. Both the right hon. gentleman and the hon. member for Winnipeg North Centre seem to believe we are so secure on an issue of this kind that there would not be a majority of the house to defeat the government. I wish I had the same confidence that they express.

I do admit that there are some—

Mr. Nielsen: Will the minister permit a question?

Mr. Pickersgill: No, I would rather reply to one question before another is asked. What was the word the Leader of the Opposition used and which could be applied to the hon. gentleman?—that he is a great kibitzer. If he will just wait with his kibitzing until I have answered the hon. member for Winnipeg North Centre, then I will receive his question.

With regard to the supreme court reference suggested by the right hon. gentleman, I have to repeat that I do not believe anyone has questioned the constitutional power of parliament to do this thing. It has been done with the Indians and, in so far as the Eskimos are concerned, all we would need to do is have an Eskimo act like the Indian Act, and it could be done as well in the one case as the other. I cannot imagine any good lawyer making any other argument. It seems to me, therefore, that if there is any doubt about this power, I think, instead of referring the question to the supreme court the government should introduce legislation into parliament. I must confess I always listen with great respect to the hon. member for Peace River. However, it does not seem to me this is the kind of question for the supreme court, unless we have some doubt about the constitutional right of parliament to do this thing.

Mr. Nasserden: Parliament is not doing it.

Mr. Pickersgill: Nobody is doing it; nothing is being done. We have been debating for days something that is really hypothetical, as the minister of northern affairs has pointed out a dozen times. It is on an if-and-when basis. I do not believe there is the slightest likelihood of the matter being advanced very far before we reach the main estimates. As Your Honour has pointed out once or twice, when Your Honour has been permitted to draw our attention to the rules, this item has nothing whatever to do with the supplementary estimates.

I cannot make any more commitment than has been made at the present time. If it would facilitate dealing with the other estimates, we could suspend consideration of this item so I can consult the Prime Minister. If there was unanimous consent of the committee to that effect, it could be clearly understood that this would be the only point with which we would deal when the item is called again. If that was the understanding, I would be willing to consider, if the minister of northern affairs would also be willing to consider, in the interests of getting other supplementary estimates through, consulting with the Prime Minister and coming back to this item at seven o'clock, no matter what point we have reached in our discussions. If the hour from five to six was used to discuss estimates, I might be able to come back earlier.

I cannot do this myself. If there could be a unanimous understanding, I would put the points that have been raised to the Prime Minister, and then either he or the minister of northern affairs would be able to say what the government felt it was able to do. If that would facilitate completing the work of the committee, then I would consider doing it, if my colleague would consider it.

Mr. Diefenbaker: I will refer to this suggestion in a moment. Before I do, I want to refer to the point made by the hon. member for Winnipeg North Centre. He mentioned that during the period we were in office we passed an order in council with reference to surcharges which he and other members of the house considered was beyond our authority. I point out in that connection that we secured the opinion of the law officers of the crown and the law officers said we had that authority.

I want to ask the Minister of Transport or the minister of northern affairs if the law officers of the crown have given an opinion on the agreement covering the administration of Eskimos, and the legality within the constitution of entering into such an agreement? I ask that question before I refer directly to the suggestion made by the Minister of Transport.

Mr. Pickersgill: I do not believe it would be possible for me to give a precise answer to that question. I doubt if it would be possible for any of my colleagues who are here at the moment. It may be that the minister of northern affairs could answer the question. Frankly, I cannot say for sure, and that is why I repeated the word of the right hon. gentleman about doubt. I will let the minister of northern affairs say whether he has any knowledge of this.

Mr. Nielsen: I wonder if I may permit—

Mr. Diefenbaker: Let the minister answer.

Mr. Laing: Mr. Chairman, I think the fact we have had some two full days debate on this item is compensated for by the fact that the calibre of the debate has been high. I think it has been one of the better debates in which parliament has engaged during this session. However, we have come to the point now where we are discussing whether or not the legal officers of the government have passed upon the authority of the government to do a certain thing with another government. We keep coming back, especially the Leader of the Opposition, to this agreement which is about to be signed, and so on.

Mr. Diefenbaker: I am quoting the minister from Quebec who made the statement.

[Mr. Pickersgill.]

Mr. Laing: I want to assure the right hon. gentleman and the committee that there is no agreement about to be signed. I have said that twice and I say it again. We laid down a list of principles which we would insist upon in any negotiations with the province of Quebec, and they must live up to those standards. They involve protection of the Eskimo and his right to live in the so-called Eskimo community of the north, protection of his language and of his schools which, of course, as every member of the house knows, involves religion, and protection of his right to be treated equally as well in regard to all these things as we have treated him. This is all we have done thus far.

I cannot report that a single bit of progress has been made since I put a statement on the pages of *Hansard* on March 4. That is the situation. We have had a number of meetings between our officers and officers of the province of Quebec, some of them even in the last two or three days, and like one of those steam engines that got stuck on dead centre I want to tell the right hon. gentleman we are on dead centre now in respect of what consultation with the Eskimos means.

Mr. Diefenbaker: What is meant by a dead centre in consultation?

Mr. Laing: The right hon. gentleman knows as much about those western steam engines as I do.

Mr. Diefenbaker: Are both sides steamed up? Are the dominion and the province of Quebec steamed up? Is that the reason?

Mr. Laing: Somebody has to take them off centre by hand. The situation is that apparently we cannot come to any understanding in respect of a definition of consultation. I stated yesterday our insistence on what consultation was going to involve. So we are dealing theoretically with something which the Leader of the Opposition thinks exists, which the hon. member for Yukon has persistently said does exist, and which various other members have said they have heard is in the making and have accused the government of keeping something from them. I want to assure the committee that nothing of this nature exists. I am going to wind up by making a very strong plea, as strong as I can make it. I think it will be the best thing for the department and for the progress of the house if we pass these estimates now.

Mr. Diefenbaker: Mr. Chairman, we still have not got an answer to the simple question I asked. Have the law officers of the crown been asked for their opinion whether an agreement in the general terms suggested by the minister would be within the power and authority of the government of Canada to

enter into? He made a very general statement and with much of what he said I was in agreement. He speaks with clearness and lucidity always, but the question I asked had no reference to the kind of speech he made in reply. I simply ask: Has such a legal opinion been sought? That is all. It is as simple as that.

Mr. Laing: Mr. Chairman, in so far as I am concerned I am quite certain the right hon. gentleman will agree that this is a question which normally he would address to the Minister of Justice, if he were in the house.

Mr. Diefenbaker: The minister in charge of the department would naturally have an opinion, would he not, before he would go ahead?

Mr. Laing: I would think that the opinion given by the Minister of Justice yesterday would have been supported by his officers, but I would not want to say this in the house without knowing it to be a fact, and I do not know it to be a fact.

Mr. Pickersgill: Mr. Chairman, I could perhaps say one thing that might help a little in this matter. On behalf of the government I am quite willing to undertake that we will get a legal opinion from the law officers of the crown, if one has not been got, and if there is any doubt about the power of the government I will certainly undertake that we will not, with any doubt on the part of the law officers existing, attempt to make any agreement until whatever needs to be done has been done to make sure that the government has such power.

Mr. Nielsen: Mr. Chairman, the question I wish to ask the Minister of Transport concerns what is a reiteration of the offer of the Minister of Justice to lay the agreement on the table when it is executed and test the confidence of the house and the government by that means. As one kibitzer to another, I wonder whether he could explain how he feels that sort of action would legalize any such agreement, provided an agreement is signed, if in fact entering into such an agreement was unlawful in the first place?

Mr. Pickersgill: I never thought it would. It does seem to me they are two entirely separate questions. There is one question involving whether the government would have the legal power to make such an agreement, and there is the second question whether the House of Commons thinks the government should make such an agreement. The government is responsible to the House of Commons and even if we have undoubted power to make an agreement I still think that parliament has the right to kick us out if members think we should not make it. That is what I understand by responsible government. The idea was not that it would give any additional legality to the agreement to do this, but that it would assert the primacy of the house over the government.

I must confess that until I listened to the debate today and particularly to the remarks of the hon. member for Peace River it had not occurred to me that there was any doubt about the power of the government to make the kind of agreement we are envisaging, which transfers no jurisdiction but merely entrusts functions. Because of my experience as superintendent general and having made so many of these agreements it did not seem to me that there was any doubt, but I confess that the argument raised by the hon. member for Peace River that the Indian Act has a specific provision in it exempting Eskimos is a point. I do not say that that concludes the matter but it is a point that had not occurred to me before. That is why I felt I would be quite justified, knowing my colleagues as I do, in saying that if after the law officers have looked at this matter thoroughly they entertain the slightest doubt about the power of the government we would not attempt to make any agreement without being clothed with the power to make it.

Mr. Diefenbaker: Mr. Chairman, the differences between us are rapidly being diminished. I have just one veto and it is this. When the opinion of the law officers is secured I would ask that before an agreement is signed the matter be brought to the attention of the house by notifying the house that the law officers are of the opinion that it is legal, if that should be their opinion, at which time an opportunity would naturally be provided for consideration by the house. If that meets with the views of the hon. member for Winnipeg North Centre and brings us together in agreement, I think this debate has been well worth while.

Mr. Pickersgill: I have no hesitation whatever in saying that such an assurance would be given in an unqualified way by the government. We do not want to make an agreement with anybody that we have not got the power to make. We want to remove any possible doubt on this matter and I give the assurance that the house, if and before any agreement is signed, will be advised, and if it is not in session we will take the necessary steps to make the point public, that the law officers of the crown feel the government has the necessary authority.

Item agreed to.

The Chairman: Order. In order to permit the house to proceed to the consideration of private members' business according to section 3—

Mr. Pickersgill: I wonder could Your Honour not see the clock and dispense with the formalities?

The Chairman: I suggest it should be done in the formal way and an arrangement made with the Speaker in the chair. According to section 3 of standing order 15 it is my duty to leave the chair.

Progress reported.

Mr. Deputy Speaker: Order. It being five o'clock the house will now proceed to the consideration of private members' business.

Mr. Pickersgill: I wonder would Your Honour see me before proceeding to private members' business, and see whether it might be the sense of the house on this particular occasion that we would forgo the private members' hour and go back into committee of supply. It is conceivable that in doing that we would be preventing having to sit this evening, or too much of this evening.

Mr. Diefenbaker: Mr. Speaker, we are in agreement with that, but with regard to the latter part of what the hon. gentleman said, may I say that he expressed a rather optimistic hope that we will not have to meet again this evening.

Mr. Pickersgill: I was brought up in the west, and so by nature am optimistic.

Mr. Deputy Speaker: Then is it agreed that we suspend the private members' hour.

Some hon. Members: Agreed.

SUPPLY

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

DEPARTMENT OF NORTHERN AFFAIRS AND NATIONAL RESOURCES

55e. **Water resources branch—administration, operation and maintenance, $25,000.**

Mr. Simpson: Yesterday in the house I asked the minister whether it was the intention of the department to conduct a vocational training school, or a school of any nature, for Eskimo children at Fort Churchill, and when these facilities might be made available to the Eskimo children. Can the minister enlighten us on that?

Mr. Laing: It is the plan of the department to occupy some of the buildings that were occupied by the army at Fort Churchill, as a residential school principally for Eskimo children, but probably for some Indian pupils as well. Negotiations are now being undertaken with the government of the province of Manitoba in respect to its jurisdiction over education. A very careful survey is being made of the buildings to ensure protection from any danger of fire, because of the fact that it would be a residential school.

The Chairman: It is not clear to the Chair how this subject relates to vote 55e, water resources branch. It may, and perhaps the hon. member can help clarify this point.

Mr. Simpson: I understood we were still on the first item.

Mr. Pickersgill: No, that was passed.

Mr. Simpson: Well, since my question was answered, is it the hope of the government to have this school in operation this coming session or next fall?

Mr. Laing: If the committee will permit me to go outside the scope of this item, I may say I think it would be 1965.

Mr. McBain: Several of the hon. members who represent ridings along the great lakes area are greatly disturbed over the continuing lowering of the lake levels, and yesterday the minister promised a detailed report to the hon. member for Grey North. Can he indicate when that report will be ready and when it might be tabled?

Mr. Laing: I am sorry I did not have the opportunity of placing it before the house today, because it is now ready. I shall do so on Monday. It is a very extensive report and I shall be asking leave to have it printed in *Hansard* instead of reading it.

Mr. Aiken: Is the report merely an explanation of the problem or will it indicate remedies and give hope that the lake levels will be rectified?

Mr. Laing: It will be principally an explanation of the phenomenon. The lake levels, of course, are determined largely by precipitation and, as my hon. friend knows, precipitation has been low in recent years.

Mr. Aiken: We would be very thankful for a full statement because this is a very serious problem, particularly at Georgian bay, where the water is out to the low point. I am sure the Minister of Transport and the Minister of Public Works must also be concerned about it. One has to walk to a lot of these small docks at present. Perhaps this would be a good time to carry out repairs on them, because they are up out of the water.

It was stated last year that this was a cycle that would come to an end last fall, but unfortunately that did not happen. The majority of the people who are writing to

me, who are forming groups to discuss and consider this matter, are looking for action and will not be satisfied with a statement. I have tried to give them all the information I could gather from the water resources people and the Department of Public Works, but I am sure it is not as complete a statement as the minister will provide.

However, a statement of the problem is not much consolation to them and I hope the minister's will contain something more than an explanation.

Mr. Rock: Will this report include the water levels of lake St. Louis and the harbour of Montreal? Further, does it propose any solutions for the future?

Mr. Laing: I expect it will deal with the water levels in the entire system, including the St. Lawrence.

Mr. Thomas: Does the department intend to keep in mind the matter of water pollution in the great lakes?

Mr. Laing: I think I reported the other day I had written the resource ministers of the ten provinces suggesting that this be one of the matters given first consideration at the resource ministers conference in Prince Edward Island next June.

Mr. Nielsen: Is the minister or the government in communication with the government of the United States with respect to its proposal to construct the Rampart dam project on the lower reaches of the Yukon river?

Mr. Laing: We are aware of the work of their engineers and the extent to which the proposal has gone.

Item agreed to.

POST OFFICE DEPARTMENT

5e. Operations, $79,800.

Mr. Nielsen: The Postmaster General not being here, is the parliamentary secretary here?

Mr. Pickersgill: I think that, as was the custom when the hon. gentleman sat on this side of the house, the president of the council will have the answers to most of these questions. The Postmaster General was here most of the day but he has had to leave for an engagement.

Mr. Nielsen: Since the president of the council would have the answers to these questions I wonder if he will inform me what decision the department intends to take with regard to the removal of the post office from the village of Carmacks to a point further along the highway.

Mr. McIlraith: I do not want it to appear that I am not fully appreciative of the problem, but I am afraid any answers I have are related to the supplementary estimates which are before us. There is no such detail here.

Mr. Nielsen: I will save the question for the Postmaster General.

Mr. McBain: I wonder if the minister is able to give us any additional information regarding the unprecedented robberies from mail vans in the Montreal and Three Rivers areas. Can he assure the committee that mail clerks are now being given adequate protection, and are armoured express trucks now being used to carry large sums of money? If that is the case, is this being done only in Quebec or is the practice being followed in other parts of Canada as well?

Mr. McIlraith: I am afraid I shall have to take that question as notice.

Item agreed to.

PRIVY COUNCIL

39e. Expenses of commission under part I of the Inquiries Act to inquire and report upon certain prairie farm assistance administrative matters, $12,000.

Mr. Diefenbaker: What is the present condition of this commission on prairie farm assistance?

Mr. McIlraith: I understand that the commission is still being carried on. Its work is at an active stage at the moment.

Item agreed to.

41e. Expenses of the preparatory committee on collective bargaining in the public service, $42,400.

Mr. Howard: I wonder if the minister could give us an account of the progress which has been made in providing bargaining rights for civil servants?

Mr. McIlraith: The department is working quite actively at the moment on this subject. The hon. member will have noticed that the civil service associations on their side have taken certain steps within their own responsibility to modify their organization so as to be in a position, when the legislation is approved, to carry out their part of the bargaining procedures. I realize I am doing a certain amount of forecasting, and perhaps this is a dangerous thing to do, but I would anticipate that the legislation would be ready for parliament to deal with this fall. The question is receiving very active treatment. Perhaps I should not bring this up, but may I say it would have had more active treatment in the last week or so if I had not been required to sit here for longer hours than I had anticipated doing.

Mr. Howard: Would the minister care to forecast just when the summer recess will start and how long it will last, inasmuch as he has got us back here in the fall?

Mr. McIlraith: I can assure the hon. member that I have ideas on that subject and I suspect that they will be rather agreeable to a lot of hon. members on both sides. But I am afraid that is not a subject for me to deal with here at this moment.

Mr. Diefenbaker: It would be very helpful to have the benefit of the views of the hon. gentleman in this connection and in my opinion the house will look forward with anticipation to hearing those views which are going to bring happiness and joy to our hearts.

Mr. McIlraith: I think the hon. member for Ottawa West is too cautious to satisfy that curiosity before a collective decision has been made by his colleagues and himself.

Item agreed to.

43e. Expenses of the royal commission on bilingualism and biculturalism, $275,850.

Mr. Howard: Before we proceed to pass this vote, inasmuch as it involves the royal commission on bilingualism and biculturalism I should like to make a few brief comments about that commission and about its origins, and perhaps express some regrets as to the course followed so far in this particular field.

I think all of us as we look back will recall that this royal commission had its founding days when the present Prime Minister sat on this side of the house as leader of the opposition and when he was, I would say, desperately groping for some appealing things to say, rather than looking in depth at the question of the culture and linguistic structure of Canada. I think what happened really was that he stumbled on to the thought of a royal commission on bilingualism without any great thought about it, found it was appealing and so was sort of stuck with it.

In the initial instance, I think without his thinking too clearly about it the present Prime Minister when he was over here as leader of the opposition looked on this as being something which would be appealing to one particular province of Canada rather than as something which might be of benefit and help to all of Canada, and the impression which was received by many people in Canada was that it was a commission slanted in one direction, orientated to one theme or designed to appeal to one group of people in Canada.

It is unfortunate that this happened. I think that if the Prime Minister and his government had done some public relations work and prepared the people in the western part of Canada, as I know them, and in the east, and in the east in the maritimes, as it has been related to me—if they had prepared people in those areas for the acceptance of the idea of such a commission, it would have been more readily accepted and appreciated as something which might be beneficial to the whole recognition of the culture of Canada.

I might recall the immediate reaction of the premier of Alberta to this royal commission, a reaction which gives some indication of the attitude the people in the west had about it. In one sense, and I do not want to say this by way of derogation, the very terms of that royal commission are an insult to one group of people in Canada—the one we have been discussing for some days now. I refer particularly to the original inhabitants of this nation, those whom we now classify as Indian and Eskimo people. If we are going to have a commission to inquire into the cultural aspects of the people of Canada, surely our Indian people should have been placed in the forefront of any consideration, rather than being relegated, as they are in the commission's terms of reference, to one of the other ethnic groups.

The terms of reference have been referred to many times and they are pretty well confined within the first paragraph of the order in council setting up the commission, which gives them the authority "to inquire into and report"—I am reading now from the terms of reference—"upon the existing state of bilingualism and biculturalism in Canada and to recommend what steps should be taken to develop the Canadian confederation on the basis of an equal partnership between the two founding races, taking into account the contribution made by the other ethnic groups to the cultural enrichment of Canada and the measures that should be taken to safeguard that contribution." It is the reference to "other ethnic groups", among them being the original inhabitants of Canada that I say is a somewhat insulting approach.

In addition to that, the commission is charged with the responsibility of recommending what steps should be taken to develop the Canadian confederation on the basis of an equal partnership between the two founding races. Again, this is completely disregarding the fact that our native Indian and Eskimo population, as we call them now, were the very peoples who founded or participated in the founding of Canada. There must be prime concern given to the culture and history of these people if we are to have any real understanding of what comprises Canada. It is true, I think, that we can inquire into the state of bilingualism, as the commission is charged to do, but I doubt very much whether we can inquire into the state of biculturalism, because

such a thing does not exist and, I submit, cannot exist. We cannot have a "bi" or "tri" or "quadri" or any other kind of multiple culture. You have a culture, and it is not divisible. That is what people participate in. For the sake of argument, I can never become a part of the culture of the people of French parentage who were born and raised in the province of Quebec. I cannot do that because I was not born in that environment and of that parentage. Conversely, neither can anyone else have the culture, in the full sense of the word, of any other citizen or any other person unless he was born into that environment and followed a particular national lineage in his inheritance. To my mind it is rather an anomaly to ask a group of people to inquire into the state of biculturalism.

Marcel Chaput's book entitled "Why I am a separatist" makes reference to this perhaps, in a way, when he refers to bilingualism, although in reading the preliminary part of it he is in fact using the language as a part of culture. He says this:

> There isn't a single bilingual people in the world, not even the Belgians or the Swiss. Bilingualism is a meaningless word, a sin against nature. At most, there are nations made up of several unilingual groups joined under a common government, such as Belgium and Switzerland.
>
> The reason is simple—a man can only have one pattern of thought.

Here he refers to the question of a culture:

> He is like a tree whose branches all spring from the one trunk. His knowledge of a second language must take the form of an offshoot from his native language. But in our case, bilingualism is nothing more than a pernicious union of two branches, with no trunk at all, which can only result in a stunted and deformed knowledge of our native language.

He is referring particularly there, of course, to the French language; but I submit that in a sense taking those words in the broad sense and referring them to culture in the true sense of the word, it is ridiculous to appoint a royal commission to inquire into the state of biculturalism when no such state or condition can possibly exist. There is only a culture, as I said earlier, and one cannot have the culture of another; he can only come to the point of respecting and admiring the culture of another and hoping that mutual respect and admiration is generated thereby. Perhaps in the light especially of the recently concluded—or perhaps it was adjourned—federal-provincial conference in Quebec we should go a bit further afield and wonder just what is to be the relationship in this country between those who acclaim one inheritance and those who acclaim another. I think it becomes obvious more and more as each day goes by, more and more as each federal-provincial conference is held, more and more as each question arises over which there might be dual jurisdiction, that the demands—not the demands of Quebec, but the position of Quebec—of Premier Lesage are for some peculiar political reason almost insatiable. The Canadian government will find itself giving in, time and time and time again to these incessant demands of the premier of that province and of others in his cabinet. Some of us have studied or have read about the effect that narcotic drugs have upon an individual. Progressively, if he cannot get enough his demand increases. He starts off with a little bit and continually day after day, demands more and more and more and greater dosages of the narcotic drug in order to maintain a particular state. This is the condition that exists in the government of Quebec; it is something similar to that of a drug addict.

Normally and in the initial instance there were many people who came from the extremes of east and west Canada who, not having grown up in the environment of and with the history or the knowledge in any intimate way of the history of Quebec and what took place there, had an attitude of great sympathy toward people in Quebec who claimed they had been wronged. There was a desire to understand and work with those who claimed that wrongs had been committed against them, and to right and correct those wrongs. I know this was the situation at home amongst people whom I know, people who were born and raised on the west coast who really did not have any great involvement with people living in central Canada 3,000 miles away, except by way of reading in the newspapers, watching the television newscasts or listening to radio broadcasts, or something like that, and who initially were desirous of wanting to find a solution to what was claimed to be a wrongdoing in the first instance.

Unfortunately this feeling is developing into a resentment; it is developing into a resentment because, as I said, the demands are becoming more and more insatiable all the time.

I think it is time to think not in terms of retaliating, which is what some people are talking about, but to think in terms of accepting the fact that we might as well proceed on the assumption that we are going to have a Canada consisting of nine provinces, and that Quebec will be a separate entity within the geographic area and will fit into the picture in as loose a way as Quebec wants. This is something which the government has not accepted. It is something which the Prime Minister, master diplomat that he is, cannot accept, probably because of his background

activity in the field of diplomacy and external affairs, which consists of attempting to listen to different sides of the question and to smooth things over as much as possible. But this is not possible with the province of Quebec, and the sooner we accept that fact and that we can develop and work together to build a Canadian confederation as I have just indicated, the better off we will be, and the better off they will be in Quebec.

If we do not follow that course the government of Canada, no matter who happens to form it, will find itself saying to Quebec: "Yes, we will give you 35 per cent of the tax revenue". The next day it will say: "Yes, we will give you everything by way of succession duty taxes". Then the next day it will say: "Yes, you can opt out of the hospital insurance program and we will pay you more". As a result we will find out that what will happen will be that Canada will give and give and give until there is nothing left to give. The result will be that the Canadian nation will collapse and no sort of reasonably amicable relationship will exist in the country. But I submit that if we take the other course of accepting the fact that Quebec's demands are insatiable and cannot be met from the pockets of the rest of the people of Canada, the sooner we will be able to go on and build something worth while.

Mr. Olson: Mr. Chairman, just one or two remarks on this item. First of all, we have spent $275,850 on the royal commission on biculturalism and bilingualism, and I presume this amount has been spent on the commission up to the end of March of 1964. I should like to ask the President of the Privy Council whether that is the case, and I should like some detail as to what the money has been spent on.

My second point is this. During the course of questions on the orders of the day and in various other debates the Prime Minister and other front benchers on the government side have repeatedly admonished some members of the opposition to speak of those things which unite Canada rather than those which divide Canada. I agree that this is where the emphasis should be. I do not have before me actual quotations from the Prime Minister, but I am sure all hon. members recall occasions when he has suggested to members of the opposition that some of the statements they have made did not do anything to unite Canada, and that they would have been better left unsaid. If this amount of $275,850 is to permit the chairman and co-chairman of this commission to go about the country saying some of the things they have been saying, then I think this item should be reduced to $1.

[Mr. Howard.]

I say that, Mr. Chairman, because in today's *Globe and Mail* and on the front page of today's Montreal *Gazette* we find expressions by the chairman and co-chairman of the commission to the effect that a parochial or provincial view is going to divide Canada and perhaps lead to her collapse. The headline to the fourth section of the Toronto *Globe and Mail* is this:

> Provincialism could bring Canada's collapse with no one feeling at fault: Laurendeau.

Then in a report of their meeting in Toronto yesterday it is said:

> Both reported that the functions of their commission had been widely misunderstood.

If that is true, I think these gentlemen should spend some time getting the people of Canada in all parts of the country to understand what is their function and what are their ultimate objectives, and how they intend to reach their aim.

I should like to make one other reference to this article, a statement attributed to Mr. Laurendeau. He is reported as saying:

> French speaking citizens feared the commission would foist English upon them; English speaking Canadians, Mr. Laurendeau said, took the stand that "if those damn French would speak English like everybody else, the problem would be solved".

I suggest that it is precisely this sort of misinterpretation of the attitude of people in many parts of the country which is widening the division between the cultural groups of the nation. If this parliament is allowing public funds to be used so that these gentlemen can go about the country making this sort of statement, it is time the government took another look at the personalities of the chairman and co-chairman of this bilingualism and biculturalism commission and informed them that it is not their purpose to make this kind of statement, or alternatively to replace these gentlemen. I agree with the Prime Minister and with many other moderate and reasonable members of the house that we could far better spend our time emphasizing the matters which unite all of us, of whatever language or cultural group, and I suggest that perhaps we should start by saying to the people who have been appointed by this government to improve relationships that they are under the same obligation to seek those things which unite us, rather than to make ridiculous and inflammatory statements such as I have referred to in this article.

Mr. Diefenbaker: Mr. Chairman, I have very little to say on this matter, except that we should have rather full detail from the President of the Privy Council on this very large item of $275,000 which represents, as

the hon. member for Skeena said, the expenditure up to the end of the last fiscal year. This is a large amount in respect to which we are entitled to reasonable detail. I am one of those who took the stand that a royal commission on this subject would not be beneficial to national unity. I took that stand officially in February 1963. My feeling was that it was not a royal commission which was necessary, and instead I endeavoured to bring about the convening of a national meeting of federal and provincial representatives, a meeting not of two or three days duration but a period of weeks and months, and behind closed doors. At such a meeting, men and women could discuss frankly and freely what they believe could be done by the federal and provincial governments, and we would arrive at a general agreement as to what might be done in order to assure unity within our country.

On that occasion I mentioned the question of national symbols. I mentioned the repatriation of our constitution, something we endeavoured throughout the years to achieve while I was prime minister, but without success. We are the only country within the commonwealth of nations which cannot amend its own constitution. It is ridiculous that we should be placed in a subservient position and that every time we want to amend our constitution we must go to Westminster. Certainly the British parliament does not want this vestige of the past retained. We have not attained that maturity of mind that would permit even the return to our own country of the right to amend our constitution in the parliament of Canada.

We tried for months. We met together. We found that there were objections by certain provinces and the result is that, while a royal commission studies this subject we, as a nation, still have not the right to amend our own constitution because of our failure to agree on a matter as simple as that. My view was that a royal commission could achieve nothing but the opportunity for those who are irrational and intolerant, who have a regard for this nation that is not generally held, to place their views before this commission. There are those who have some regard for the constitution of our country. Today we have a hodgepodge developing by reason of this commission being set up which is bringing about in our country a feeling that the hopes of the fathers of confederation cannot be achieved.

We need a little more faith. We need people to speak for Canada, to speak for this nation, rather than to speak for their own purposes. I am one of those who believe we can achieve unity. I think that message must be given to the Canadian people. I find in every part of Canada today a fear about the future of the country and its destiny. This fear has been engendered as a result of statements that are made that ought not to be made by those who have regard for the tremendous heritage that is ours, and the great destiny that will be ours if we but realize that there are two sides to every question, but that in a community of counsel we will bring about unity within the nation.

I do not want to be critical but I do agree with the hon. member for Medicine Hat. I cannot understand the concept of a royal commission which, while it takes evidence and hears representations, has periodic interpretations made by the chairmen of that commission. I do not understand this. They are supposed to be listening to the views of Canadians. They go across the country. They make speeches everywhere and they interpret their powers and their authority. I think that in doing that they are doing the greatest disservice to Canada and to the cause of unity and, above all, to the achievement of that relationship within our nation without which we cannot attain the greatness which our resources make possible. I think that a word might be spoken to these men.

This has become a commission of peripatetic after-dinner speakers who, wherever they go, interpret what they have heard in the intervening days since the last speech or the last press conference. This is not the purpose for which the commission was set up. This is not the purpose for which the Canadian people have already paid $275,000. This is not a circus parade where, in order to gratify whatever the purpose may be, the performers make speeches wherever they go. Their purpose is to endeavour, out of a diversity of viewpoint, to achieve a common degree of acceptance of principles which will enable the governments to act. After all, when the commission is through, then the work begins.

It is said the commission will continue until 1968, I believe. If we have to endure all the speeches in the next few years that we have in the last few weeks, then indeed that commission is for an unusual purpose and the commissioners are discharging their responsibilities in an unusual manner. The commission was established to try to get a consensus of viewpoint. It was not set up to interpret to the Canadian people, weekly, bi-weekly or monthly, the views of the commission. The commission started off by these commissioners announcing their views before the commission actually sat. It is not their views for which we are asking. They seem to think they speak as a body, *ex cathedra* to the Canadian people.

If I understand what the government had in mind when setting up the commission, the

commission was supposed to listen to representations and finally recommend, not to make interim and interlocutory statements whenever the spirit moves them. I am not saying my idea was right, and it represented not a consensus, but my idea. It was that we would bring the provinces and federal representatives together in a national meeting. After all, the responsibility will finally rest on these two levels of government. The Prime Minister thought otherwise. The Liberal party went through the campaign undertaking to set up this commission. I want this commission, now that it is set up, to do an effective and efficient job for Canada. I do not believe it can if it continues to have chairmen as loquacious as they have been in recent days and in recent weeks.

I read the joint speeches that were made at the Empire club in the city of Toronto. I am not going to discuss the details of them, but under the circumstances I found those speeches quite beyond understanding. I say no more at this time but I do hope that the chairmen, Mr. Dunton and Mr. Laurendeau, will come to a realization that Canadians are not interested in their periodic declarations and views but rather are interested in having this commission work effectively. I did not think it would work and I said so. It was not a popular view when I took that stand. Now that the commission has been set up I want it to succeed, but I doubt that it can unless the members of the commission begin to realize that they are not and were not appointed to be the teachers of Canadians in these difficult and trying times.

[*Translation*]

Mr. Girouard: Mr. Chairman, I regret not to have had a week at my disposal to prepare a reply to the hon. member for Skeena (Mr. Howard), but I could not anticipate that a member of this house who, I presume, enjoys a certain degree of education, I am not saying instruction, would make remarks such as those we heard a few moments ago. I feel, Mr. Chairman, that in replying to the hon. member for Skeena, I will not preach in the wilderness—at least, there is sand in the desert—but I will talk to the wind.

The hon. member for Skeena tried to prove to the house that the objective of the commission on bilingualism and biculturalism to impose a double culture to every Canadian is unattainable.

I should like to say first of all that the interpretation given by the hon. member for Skeena is all wrong. The purpose of the commission is not to force two cultures upon every Canadian but to encourage the development of two cultures in our country. Moreover, I should like to point out to the hon. member that if it is impossible for every Canadian to have two cultures, it is still possible for each and every citizen to participate in a culture of his own, a fact that the hon. member has failed to show.

Mr. Chairman, if the hon. member for Skeena does not know what culture is, I should now like to tell him that it is the product of a common education, of a common belief and of a common tradition. In other words, culture is a product, and the hon. member has just shown that he has no culture at all.

According to him, bilingualism goes against nature. Can you imagine that. Does that mean that a person who speaks two languages is not normal? You might just as well say that anything which is not a basic necessity goes against nature. I am still wondering whether there is any point in replying to arguments of that sort.

Of course, the hon. member could not help refer to the federal-provincial conference. He states without guile that Quebec keeps on asking for more. He wonders what could satisfy the province's appetite. I should like to tell him that Quebec has never asked anything but what is rightfully its own. I want to say to the hon. member for Skeena that when Quebec is claiming 25 per cent of taxes it is because it has contributed 100 per cent. In that case, it does not claim 25 per cent from other provinces. I would also point out to him that when Quebec is claiming 75 per cent, it is not claiming 75 per cent from succession duties from the province of Ontario or from British Columbia, it is claiming 75 per cent of what it has actually paid.

Mr. Chairman, I shall not endeavour to prove it to him, because it is not worthwhile. The hon. member for Skeena said, mind you, that this inquiry on biculturalism was frustrating the Eskimos because, he added, they had been forgotten.

Here is my answer to the member for Skeena. Were they forgotten in 1534, in 1660, in 1760, at the time of the conquest, in 1840 and in 1867, at the time of confederation? And he now tells us that they were forgotten when the royal commission on biculturalism and bilingualism was set up.

With such remarks coming from the hon. member for Skeena—and to those remarks he adds words from Dr. Chaput—I am not surprised that people are asking where is confederation going.

I would ask the hon. member for Skeena if he came to Canada in one of the large groups of immigrants, apart from the English group? I would remind him that if there is talk of biculturalism today in Canada, it is because the French and the English nations have built

something in Canada. Immigrants coming to Canada today do not bring Canada anything; they come to get what Canada can give them. And I will prove this to you by saying that I am proud of speaking English and French. If I decided today to emigrate to Germany I would not clamour for French—

The Chairman: I do not wish to interrupt the hon. member, but it seems to me that he is straying a little from the item under consideration. I would ask him to confine his remarks to that item, which is the expenses of the royal commission on bilingualism and biculturalism.

Mr. Plourde: I rise on a question of privilege, Mr. Chairman. A few moments ago, the hon. member for Skeena was speaking in general terms, and all the hon. member for Labelle wants to do now is to comment on what the member for Skeena said.

The Chairman: There is no question of privilege in the point raised by the hon. member for Quebec West.

Mr. Girouard: Mr. Chairman, I always treat instructions from the Chair with the utmost respect and I shall do so again today. However, you will admit that, since the hon. member for Skeena has been allowed to deal with such a general matter, it is quite in order for another member to rise and reply to him.

By his statements, the hon. member for Skeena greatly helped the cause of separatism. I am not a separatist, and neither are most members of this house. On the contrary, they want to assure the success of confederation. On the other hand, if one day there were in this house only members of the ilk of the hon. member for Skeena, separatism would become an accomplished fact and there would not be any biculturalism. Indeed, if there were only members of the calibre of the hon. member for Skeena, we would not have any culture at all.

An hon. Member: May I call it six o'clock Mr. Chairman?

[*Text*]

The Chairman: Shall the item carry?

Mr. Olson: Before the item carries I should like the President of the Privy Council to give us the details with regard to how the $275,000 was spent.

Mr. Howard: Perhaps he could do that starting at seven o'clock.

Mr. Pickersgill: Could the hon. gentleman not do it now?

Mr. Horner (Acadia): Six o'clock.

The Chairman: Before the committee rises I should remind hon. members that we will meet again at seven o'clock.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 7 p.m.

The Chairman: At six o'clock the committee was discussing item 43e, Privy Council.

Mr. McIlraith: Mr. Chairman, at six o'clock I had been requested to give the detail of this vote. I have it here in precise form, and if the committee is agreeable I would like to have it printed in *Hansard*.

The Chairman: Is the committee agreeable?

Some hon. Members: Agreed.

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

Supplementary Estimates (E), 1963-64
Privy Council

Vote 43e—Royal Commission on Bilingualism and Biculturalism, $275,850.

Commissioners' honoraria	$ 47,000
Staff salaries	105,000
Terminable allowances	2,400
Press news services	750
Outside reporting services	6,000
Professional and special services	28,000
Travelling expenses	41,000
Freight, express and cartage	50
Postage	800
Telephones	3,000
Telegrams	300
Publications	4,000
Printing	4,000
Stationery	3,000
Office equipment	16,000
Local transportation	300
Advertising	13,500
Rental of halls	400
Sundries	350
	$275,850

[*Translation*]

Mr. Gauthier: Mr. Chairman, I understand the minister has offered to give us details on item 43e and it is precisely what interests me, because I consider that $275,850 is quite a fabulous amount for an investigation which is just getting under way. I wonder what the total expenditures will be once it is completed.

I think that the chief investigators are over paid. Those people already draw a

salary, sometimes two and even three. They are paid $100 a day and, after all, it is only a nationalistic movement. It seems to me it would have been wiser to think it over at the start, and I am asking the minister to check the expenditures because I think there is not enough control over them. It may be that another commission will have to be set up to investigate the expenditures of the royal commission on bilingualism and biculturalism because at this rate, the investigation will turn out to be a gold mine for some people who were appointed—I am not saying for political reasons because I have confidence in their skill—by the party in office to hold that investigation.

Now, it remains to be seen whether that investigation will give positive or negative results. Only the future will tell. I think the commissioners should have carried out an investigation instead of daily airing their own views on the report they should present to parliament. On this point, I think that I agree with the views stated by the right hon. Leader of the Opposition (Mr. Diefenbaker) and the hon. member for Medicine Hat (Mr. Olson) to the effect that if the commissioners were concerned only with their work, without making comments every day in newspapers or on the air, if they knuckled down to work without assessing their own accomplishments, I think that there would be less misunderstanding. By following such a course, the commissioners would reach the goal set for them by this government and I cannot conceive that one of the joint chairmen should pass judgment at any given moment in this way, more particularly as we know his socialistic ideas.

I think that this is a most dangerous attitude and I ask the minister to put a stop to this and ask that gentleman to do his job without foretelling the business of parliament, because, when the results are known of the inquiry we shall discuss them, and it will be up to parliament to reach a decision.

I realize that frictions which arise are always due to entirely needless balderdash on the part of one of the joint chairmen of the inquiry commission on biculturalism. The aims of that investigation are laudable in themselves, as everybody will admit. It is an ideal opportunity of getting some understanding and benefit from confederation by finding out where we stand after 97 years. At the same time, the inquiry enables us to know which province has most, or least, observed the spirit of confederation.

The objectives of the inquiry are praiseworthy if they are meant to help improving confederation. Today, there is some talk of destroying it and building up another. Let us first begin by considering the possibilities

of improving what is already built up. I think that this is the aim of the legislators who initiated the inquiry.

Now, what did the inquiry produce to date? It did enable us to find out the good and the bad sides of the matter. We had a sample of it this afternoon when listening to the remarks of the hon. member for Skeena (Mr. Howard).

It enabled a few to make their views known. At the same time it also enabled the Canadian people and the house to realize that Quebec is not the only province where there are separatists; they are much more numerous in western Canada.

Even though it would have but one result, that of eliciting statements from people who generally act without speaking, I think that it would be something worth while and that the inquiry into bilingualism and biculturalism would be fruitful. In fact, Mr. Chairman, there is nothing worse than a fellow who never says a word and who always works in the dark.

The statements that were made this afternoon prompted members from certain parties to come out of their cage and I ask those members to come and repeat in the province of Quebec the speeches they delivered in this house this afternoon. They will then be able to observe the reaction of the people from Quebec.

Mr. Chairman, I do not want to be prejudiced. I am not one of those who claims that there are no French Canadians outside Quebec. Indeed not. French Canadians can be found throughout Canada. We should not forget when speaking about French Canadians, that we are referring to the entire country. As stated by the hon. member for Skeena this afternoon, people in the west say: "But we did not know the province of Quebec before." If they do not venture outside their own bailiwick and are like rats in a cage, we are not to blame. The citizens of Quebec are better informed about the various races that make up Canada.

The statements made this afternoon will result in a tightening of the bonds between serious-minded members who still wish to save confederation; they have awakened and realized that some provinces are still more dangerous than Quebec within confederation. This is not due to ill will but it is due to the fact that these Canadian citizens do not know Canada well enough.

Those who came to Canada since confederation, as well as those who are still coming, will make a point of knowing Canada. Indeed, if the royal commission on biculturalism and

bilingualism has been instituted, it is because Canada did exist before those people came to live here.

It must be well understood, Mr. Chairman, that the two great races who founded Canada, got along very well in 1867. They contributed to the expansion of the country. But since 1867, another group of people entered the country. Immigration was promoted. The other group settled in Canada and it is always the third party which brings trouble into the family because he does not know really the facts of the matter.

That third group must be educated at all costs—and I am serious when I say that—namely the new Canadians who probably never understood the true meaning of confederation. In fact, I noticed this afternoon that several showed a complete lack of knowledge about confederation because they were not born, in short have not lived, within confederation.

That is why we say today that it is essential to amend confederation, not to destroy it, with regard to that group which came here not to take over confederation but to become part of it.

Immigrants who come to Canada undertake to respect one group or the other, to share its way of living.

And when I hear the New Democratic party members talk about multiculturalism, I say to myself right away that they have never understood the true meaning of confederation, never knew why they were coming to Canada.

I feel that we must look at the inquiry into biculturalism in that light, always to bring up to date, amend and improve confederation, so that every one may use a little of his talent, knowledge and intelligence to understand family life, because I am of the opinion that family life among Canadians is like that of a big city.

A city, where every family has independence and self-determination, when it feels itself in security, because it does not feel its independence threatened by the city council, is a city that will live in peace. Such is the situation of Canada's ten families: if each one is assured of its own security, of its autonomy, of its independence, Canada will live in peace.

I repeat it is in that sense that we must consider the future of confederation, so that neither one of the two groups feels wronged in its rights and feels secure in Canada.

I assure you that if we succeed in convincing everybody of that, by intelligent reasoning instead of by stupid arguments, insults or physical coercion, Canada will be the more powerful and productive.

[*Text*]

Mr. Horner (Acadia): I rise to speak on this item with some reservation and some hesitation, due to the very touchy part that biculturalism plays in the economic well-being of Canada today.

Certainly, we are all concerned about it. Where is it going? What is Canada going to look like by 1967, 1977, and so on, or by 1987, and one could go on and on. Where is it leading us to? What sound purpose is this inquiry going to bring about? I see here in the estimates that it is already costing something like $300,000. The inquiry we are told is going to continue until 1966, and most likely 1967, when we are going to celebrate our centenary. Is it going to be a happy centenary, or a sad one? Is the inquiry, I wonder, going to promote or bring about a happy centenary? When you see the two chairmen travelling throughout the country listening to interested people presenting their own isolated ideas on biculturalism, I doubt it. In other words, is the inquiry seeking out the thoughts and thinking of the average man on this question, or are they going across the country telling the people their views as to what they think a person should be thinking on this question? We read the opinions of the two chairmen in the various papers, one of them in today's *Globe and Mail,* where they made a co-operative speech, and they have already summarized their findings, to some extent, in this co-operative speech as far as I can gather. I think the inquiry is costing too much and is doing very little, other than trying to bring a tremendous storm in which Canada can mull about until 1967, and then perhaps thresh out after the whole question dies down and the inquiry has brought down its findings.

It is rather odd that I, the member for Acadia, which has a rather traditional name and is often taken for some part of Canada other than Alberta, should speak on this question. These are my views on this subject and I am certain the vast majority of western Canadians feel as I do. We do not want Canada thrown into a vast turmoil on this touchy subject. We do not want to see Canada split asunder. We firmly believe that our forefathers—and I do not speak entirely of western Canada now—came to this country to establish a new country and start a new culture, not to maintain the two or three cultures which existed in the old country or in the fatherland as the case was. Our forefathers came to this country to escape feudalism as it existed in Ireland, England, France and Europe generally. They

came to this country with the hope of improving their lot and the lot of their families to follow them. They certainly were not interested particularly in the maintenance of any culture they may have left.

I think back to my own constituency. Half of it is called the Palliser triangle. Palliser studied that country to see whether it was fit for civilization—to see whether the land was fit for cultivation. Who settled the country in the ensuing years? Alberta did not become a province until 1905. Who settled that country in the 50 years from the time when Palliser said it was fit for cultivation, or the vast majority of it? Incidentally, he said the part in which I am now living was not fit for cultivation. But in any case it took, not necessarily the two cultures which are today proclaiming that they were the two founding nations to establish Canada; it did not take those two cultures to settle that part of Canada. This part of the country was settled by many different cultures who do not make any boast about trying to maintain their beliefs, their ideals or their language. In many parts of western Canada there are different languages spoken. These people came to Canada to better themselves and to better the following generations. They came to establish a new world and to establish it to the best of their ability, not to quibble about the maintenance of old cultures.

It seems to me, Mr. Chairman, that too much of the time of this house is spent in dealing with this touchy subject. We have before us an item of $300,000 which has been spent on this inquiry into biculturalism before the findings of the commission have been made available to us. The cost of this inquiry is likely to run into a million dollars. This commission is not really ascertaining the opinions of Canadians: The members of the commission are giving Canadians their opinion as to what Canada should be like in 1967 and 1968. Certainly we are not going to obtain the co-operation of all the people of Canada by this method.

The hon. member from the eastern part of Canada who preceded me in this debate talked about the inquiry as being nothing less than a gold mine for some people. I do not know who he thought was going to obtain the gold, but it certainly will not be the Canadian people. It may be a political party, it may be the chairmen or it may be somebody else altogether, but it will not be the Canadian people. This commission is doing nothing but harm to the people of Canada. We have heard a lot of talk about the British North America Act of 1867. Certainly this act is a long document containing many words. I have read it all, and I see very little reason to change it in any way. This is just my opinion, of course. It deals with the subject of biculturalism, it deals with the French language, French laws and the jurisdiction of provinces and the federal government.

I hear too much talk in Canada about biculturalism, too much talk about two states or two nations. I was talking to a constituent of mine not long ago, and he told me about Switzerland. I believe this is an interesting story and has a bearing upon the problem with which we are confronted tonight. He told me that there are three main languages in Switzerland.

Mr. Pickersgill: Four.

Mr. Horner (Acadia): My hon. friend says that there are four. Of course, a half of one per cent of the population speaks the original language, which goes back to the days of the Romans. I am sorry that I omitted it. In any event, I said, if you have three official languages and government documents are published in three languages, why is it you do not have the problem that is confronting Canada today? He said, "I will tell you why; we are all Swiss first and the language is secondary." I learned something from that conversation, and I think we all have something to learn from it. Let us all be Canadians first. We can be proud of the different part of Canada from which we come, and nobody in this house is more proud of the part from which I come. I let everybody within the sound of my voice know that I come from western Canada. However, I am proud that I am a Canadian first, and I think everyone in Canada should adopt that attitude. We should be Canadians first, and then we can be proud of the part of Canada from which we come. In this way we will maintain one country after 1967 and even after the year 2000. Let us bear that in mind; there should be one nation and one country and we should all be proud to maintain that country.

[*Translation*]

Mr. Caron: I am a bit surprised every time I hear a westerner speak about the different languages that are being used in Canada.

Everybody admits it—

[*Text*]

Mr. Aiken: Wait a minute; there is no translation.

Mr. Caron: No translation? I am surprised to hear these people coming from western Canada speak about the many languages we have in this country. I am surprised, because when they talk this way they display a lack of knowledge of the history of Canada. In

1867 there was a contract entered into between two nations, the French Canadians and the English Canadians. It is this contract we want to keep in Canada. It is this contract we want to see kept all over Canada, not only in the province of Quebec. The more we think in this direction, the less we will think in the other direction, and the more progress this country will make.

[*Translation*]

Because only two languages are really recognized in Canada by our constitution. In 1867, the fathers of confederation did not mention the languages of those who would come and settle in Canada. We are happy to have among us the Ukrainians, the Italians and all the other people who wish to come to Canada. I hope that these people will keep on speaking, studying and learning their languages, that they will continue to give us the advantage of their culture which they brought from the European countries or elsewhere. But I believe that we should not forget that there are only two official languages in this country: French and English. It is useless to talk otherwise. It is only that way that we will be able to solve the problem of the Canadian confederation.

That is what I had to say and I hope that it will be understood and that we are going to pass the estimates.

[*Text*]

Item agreed to.

DEPARTMENT OF PUBLIC WORKS

Public buildings, construction and services—
***35e.* Ontario (other than Ottawa), $1.**

Mr. Aiken: I should like to speak on this item concerning public buildings in Ontario. A couple of days ago I rose on a question of privilege in connection with an answer I received from the government concerning the acquisition of a building site in the village of Britt, Ontario. At that time I stated that the answer I had received was wrong, and I am quite satisfied that it was. I do not know if this was just an oversight. I know that the consultant to whom I referred is, in fact, a consultant of the government in relation to post offices and public works. I asked if the minister would make inquiries and correct his answer, if it was wrong.

According to the answer which I received, this particular consultant had acquired a site for a public building at Britt and had resold it to the government. I had particular knowledge of this matter because while the Conservative government was in power this particular site was negotiated for by the government, and I must say I was fully aware of this negotiation. There was some difficulty in connection with a road allowance, which took some time to adjust, and at the time the government changed hands no completed arrangement had been made. Therefore it was with a good deal of surprise that I found the government's consultant had in some fashion acquired the particular sites from two private individuals and had resold them to the government.

I have not made, and I am not making tonight, any allegation that there was an unjust profit made; the details of this behind-the-doors transaction are not known to me and I suppose never will be known. But all in all I feel it is not a proper exercise of jurisdiction on the part of a person to whom the government apparently looks for advice and assistance in political matters, when he is himself dabbling in government sites. It is nothing more than that; it is a case of impropriety, and I am sure if any member of the house did this he would be severely taken to task.

If the government is going to continue this system of having their defeated candidates made consultants, to whom they can write for advice on postal and public works matters, and if the government are going to accept that advice and act upon it, then these consultants must have just as high a standard, and should be required by the government to maintain just as high a standard, as an elected member.

I do not approve of this system. It is extremely irritating to me, and it is irritating to other hon. members to have so many things going on behind their backs. I believe the degree to which this is done is recognized. In some cases there appears to be some political advantage to the government party, and they prefer to deal with regard to political matters with these consultants. However, I give notice now that I am going to keep raising this point until I get an answer. I want to know whether this person is a government consultant on public works and post office matters, and whether the government is satisfied to have this type of thing go on. I think it is wrong and it should be rectified. I have nothing personal against this particular individual, but if he is going to be used as a consultant, then he has to have a much higher standard than has hitherto been displayed.

Mr. McIlraith: Mr. Chairman, the hon. member raised this matter in the house the other day—I think it was as a question of privilege, was it not?

Mr. Aiken: Yes.

Mr. McIlraith: While the matter itself is not directly involved under this vote, I recognize the importance which the hon. member properly attaches to it. I do happen to

know that the Minister of Public Works is trying to get all the information on it assembled, with a view to making a statement in the house as soon as he has the necessary information to do so. I know that from my personal knowledge of the matter. Perhaps in light of that there is little point in my trying to say much about it now, because I simply do not have sufficient information on it to do so properly.

Mr. Aiken: Personally, Mr. Chairman, I do not feel I was out of order—

Mr. McIlraith: No, I am not raising any point on that.

Mr. Aiken: —in raising this matter under this item, because certain jobs are listed here, and then there is an amount to cover anticipated lapses, which might include an item covered by the original estimate. However, I accept the statement of the minister that an investigation is being made, and that is all I ask.

Item agreed to.

Harbours and rivers engineering services—
115e. **Ontario, $1.**

Mr. Aiken: Here again, Mr. Chairman, I want to make a few comments, and I am glad to see the Minister of Transport here. This afternoon a question was raised under the water resources vote concerning water levels, and the minister of northern affairs assured us that he would make a statement in this connection. There is a problem here. The minister explained to us that his statement would merely be directed toward why the water level was low, but I am sure that this in itself will not be satisfactory. There are many harbours, particularly in the Georgian bay area and on of the shores of lake Huron, which will have navigation problems this spring and early summer. I know my hon. friend from Simcoe North is particularly concerned about Collingwood, and I am concerned about Parry Sound. Both are major harbours which may have navigation problems for lake boats. I should like to have the Minister of Transport give us an assurance that where exceptional measures are necessary this year, in the case of dredging and dock extension, if this is felt to be the last year of low water, these measures will be taken.

Mr. Pickersgill: I think the hon. member knows that any dredging which will be required will be done by the Department of Public Works. However, I am Minister of Transport, and although I cannot make the rain come—doubtless some of us wish we could at times—nevertheless I am concerned with this problem. I will draw the hon. gentleman's observations and those I have received from other hon. gentlemen, such as the hon. member for Grey North, the hon. member for Simcoe North and other hon. members to the attention of the minister. I might add that some defeated candidates have spoken to me about this matter—I suppose it is all right for them to talk about it —and we are anxious to do everything we possibly can to meet what is a real problem. I asked the Minister of Public Works to have a survey made of all these harbours as soon as he possibly can, and to do anything practicable to meet the problem.

Item agreed to.

Development engineering services—
169e. **Payments in respect of winter maintenance of the Haines cut-off road, northwest highway system, $120,000.**

Mr. Nielsen: Mr. Chairman, I have one or two brief questions to put to the minister on this item. Under the contract which exists between the federal government and the government of the state of Alaska, this amount of $120,000 is to be paid by the Canadian government to the government of the state of Alaska for the purpose of maintaining the Haines cut-off road. Under the contract the government of the state of Alaska is required to submit monthly accounts to the Canadian government. The contract commenced operation last November. I should now like the minister to inform the committee of the total amount of bills received from the government of the state of Alaska by the government of Canada.

Would the minister also advise the house whether the government of the state of Alaska has advised this government of the actual cost, quite apart from the bills which have been rendered, of the maintenance of the road to date? Finally, is the minister now in a position to assure the committee that the road will be kept open next winter on the same basis?

Mr. McIlraith: Mr. Chairman, the reason for this payment to the United States authorities is that at the time the matter was raised it was so late in the season that the assembling and transportation by Canadians of the kind of machinery required to do the job was not possible, if the job was to be done this winter. The United States authorities had the equipment in position, or relatively close to it. That was the underlying reason for it. I made inquiry two days ago to see if I could get a report on the results because I think, as the hon. member well knows, this was an experimental venture to see how feasible it was to keep that road open in the winter, because of many local weather factors with which he is perhaps more familiar than I am but which I have had occasion to study

in other capacities over the last number of years. These are very severe factors. In any event, I was advised that the reports that would give a reasonable indication as to the success or lack of success of the venture were not available. That was earlier this week, in anticipation of this item coming up for discussion.

As to the detailed bills for each month, I do not have them here. The last question the hon. member asked was whether I would give the assurance that we would continue this venture next year. I am quite unable to give that assurance, for the reason that before a decision can be taken to continue the venture next year, we will want to look at the success or failure of the venture this year, analyse how successful it was, what the likely costs will be over the future years in relation to the benefit provided by the road —that is to say, the added facilities that the road has provided—and how many days, notwithstanding the work being done and the machinery available, the road was closed in any event, and what traffic was going through on the road on the days that it was open.

The whole matter will have to be analysed before the government will make a firm commitment for next year. That was another, added reason why I was seeking to find out how much information we had for this year as to the results, because a thorough analysis will have to be made of this project to see whether it is economically wise to spend this amount of money, or whatever amount will be required in future years to do this job.

Therefore as to the last question, I regret that my answer to the hon. member will have to be a categorical no, in the form in which he put his question.

Mr. Nielsen: Mr. Chairman, I just wanted to remind the minister, if that reminder was necessary, that one of the promises that was made to the people of the Yukon during the last election campaign by those who supported his party was that the Haines cut-off would be maintained during the winter season. What I rather suspect is that this device of keeping the road open this winter on an experimental basis is another exercise in political appeasement simply to establish that the cost of keeping it open is going to be prohibitive and thereby giving the government its out in telling the people of the Yukon next year, "Well, we tried it one year and the cost simply prohibits its being maintained in any subsequent years". Perhaps while the minister is answering that non-provocative question he might also explain to the committee how it is that a contract which was executed prior to April 1, the date upon which the Department of Public Works took over jurisdiction of the northwest highway system, involving the expenditure of $120,000, now finds its way into the public works estimates. Should not this sum be under the authorization of the Department of National Defence, which had responsibility for the maintenance of the highway at the time the financial commitment by contract was made between the government of Canada and the state of Alaska?

Mr. McIlraith: Mr. Chairman, as to the inference in the early part of the hon. member's remarks, I can only tell him that I had a great deal to do with this particular matter and am rather familiar with the reasons why the contract was entered into, and all about it. This is the first time I ever heard of any political promise having been made on this subject, or indeed of its having been discussed. I can assure him that if there was any such promise made or anything said on the subject, I certainly did not know about it and it was not known about when this decision was taken; so it has nothing to do with the subject matter.

The question as to whether or not this road should be kept open, is an important one. It is a matter, when we are dealing with these public expenditures, of trying to act responsibly and in a way that will assure that the interests of the taxpayers are protected and their money is used reasonably for the benefit of any section or particular parts of the country. As the hon. member knows, there are very special and difficult problems of transport in the Yukon, and this is a manifestation of one of them.

All I can say to the hon. member is that I assure him this was done to get some experience in this whole field as to whether or not it was feasible to keep this road open in winter. I think it was a very wise and correct decision. It is intended to examine the whole subject before we make a further commitment for another year. All the elements that enter into such considerations will have to be examined before that decision is taken.

Mr. Nielsen: Mr. Chairman, the minister has, of course, not answered the last question that I put to him, and I will repeat it in just a moment. Perhaps while we are on the relevant item I might mention very briefly a matter which has been brought to the attention of the government by other members of this house, notably the hon. member for Skeena, with respect to the establishment of some sort of arrangement with the United States which would get around the impediment of the Alaskan Panhandle, because as the minister knows by reason of his other experiences apart from his governmental obligations and responsibility, there is a problem in reaching tidewater from the Yukon

territory. The only route we have now is by the White Pass and Yukon Railway. Many of us in the Yukon believe that we need a road route through to tidewater. This is the only road route available to us at the moment, and of course its all-weather maintenance is of paramount importance to the economic development of that part of the country. I suggested several years ago that perhaps we might get around it by negotiating with the government of the United States with respect to the establishment of free ports. Perhaps one such location which would be ideal would be Skagway, and another would be Haines Junction. The suggestion has also been made that perhaps we should have corridors not only from the Yukon to tidewater but as well through those portions of the Panhandle which border on the province of British Columbia. Perhaps it is time that negotiation between the two governments in an exploratory way was commenced in order to establish whether or not these suggestions are feasible.

The question I did put to the minister, and which he did not answer, was: How is it that this $120,000 finds its way under the heading of public works when the financial commitment by contract was made when the Department of National Defence was responsible for the maintenance of this particular road?

Mr. McIlraith: I will look into that point, Mr. Chairman, but I should think it is quite clear that keeping it open in the winter was not viewed as part of the defence of the country at all.

It is viewed rather as a maintenance operation for the service of the civilian population in their ordinary activities, and it has no military connotation. I do not know what particular difference it makes which department it is under, but for the life of me I do not see at the moment why it should be under the national defence estimates. I will look into the point and see if there is anything in it, but nothing I have seen so far has indicated to me that it should be under national defence estimates rather than public works estimates.

Mr. Nielsen: I want to make it quite clear that I am wholly in favour of the vote passing and of keeping the road open because it is vital to the economy of the territory that it be maintained on an all-weather basis. It simply surprised me to see the estimate under the Department of Public Works since the financial commitment was made while the Department of National Defence was still responsible for the maintenance of the road in question. Therefore it seemed to me that some explanation should be forthcoming with regard to why the item is under this department, particularly since these estimates were published prior to April 1 when the Department of Public Works assumed responsibility.

Mr. McIlraith: Perhaps I could answer that point a little more fully right now.

Mr. Nielsen: I will sit down in a moment. I certainly do not wish to create any suggestion whatsoever that I have any objection to the funds being spent. On the contrary, I think they are well spent and in my view the government should continue to maintain the Haines cut-off road on an all-weather basis, even if it means maintaining it by payments to the American government, by wholly American labour at a time of great unemployment in our own country and by the use of American equipment alone.

I think other means could perhaps have been found. We could have employed Canadian workmen on the road. We could have rented Canadian equipment from Canadian contractors in order to maintain the Canadian section of the road for which this money is intended. I know there were particular difficulties that confronted the government at the time and I know that most likely they tried to reconcile matters so they might be able to hire Canadian workmen and equipment for the maintenance of this Canadian road. Nevertheless I am sure that in keeping with the promise they made to the people of the Yukon the government will want to see that the road is maintained next year, and having regard to their desire to reduce unemployment in the country I am equally sure they will want to see it maintained with Canadian workmen next year rather than with American workmen, so that this Canadian money would be going into the economy of that particular part of Canada rather than Canadian funds being paid to a state or federal government of the United States.

Mr. McIlraith: Of course the simple answer to that part of the question is, as the hon. member knows, that the government which he supported did not keep this highway open and if he held these views he could have had the matter considered and the appropriate action taken that he speaks about. In any event, he has referred to the Liberal government in a critical way for doing this, but I would remind him that what has been done was done by a Liberal government and correctly done, as I think members generally will agree.

The hon. member speaks about this item not being under the defence department estimates. I would remind him that the responsibility for looking after the highway had been in the Department of National Defence because of the construction of the northwest

highway system. This highway was added after the other system was completed, but the military had the kind of establishment there that was capable of doing this kind of work. It would seem reasonable that it was not desirable to put in a duplicate maintenance establishment, so under the former government the military continued to do this work, and correctly so. I think it was the correct decision that they should do so.

As the hon. member knows, the administrative responsiblity for maintenance has been transferred starting with the current fiscal year from the Department of National Defence to the Department of Public Works. For the life of me I cannot see what was wrong in having the estimate for and approval of the winter work shown under the Department of Public Works, in anticipation of the transfer and having in mind that the removal of snow this winter would take in part of the last fiscal year and part of the present fiscal year. I just do not see anything wrong with that. I think it was a proper and reasonable thing to do.

Mr. Nielsen: I was not being critical of it. In my inexperience, contrasted with the great experience of the minister who is giving the explanations, I simply thought he would enlighten the house as to the reasons for having this sum carried under a department which had no fiscal responsibility at the time the agreement was made. The minister has also rather put words into my mouth, something with which I am frequently charged by members on the treasury benches, when he said that I was critical of the Liberal government for keeping the road open. That is not the case at all. I have said not only once but twice that I think the maintenance of this read on an all-weather basis is vital to the economy of the Yukon and I applaud the government for keeping it open. I think they should keep it open in future winters, as they promised the people of the Yukon they would do in the last election campaign.

I was very close to the former minister of northern affairs in the previous government and I can tell the minister why it was not decided to keep the Haines road open during the five years that the Progressive Conservatives were in office. That government was so busy building development roads and roads to resources across the country that they had to deal with these matters in order of priority. I can tell the minister also that in the Yukon in those five years, in contrast with previous years when almost nothing was done with regard to the development of Canada's northland, some $25 million was pumped into the construction of development roads in that part of the country, and as a result—

Mr. Moreau: Will the hon. member permit a question? In view of this tremendous development program in the Yukon can he tell us how many mines were found during that period?

Mr. Nielsen: I think the last three words I uttered were "as a result". I was just about to enlighten the hon. member whose interest in geology and mining matters is very acute, I know, and I am sure he will be very interested in learning.

Mr. Pickersgill: Mr. Chairman, I wonder whether, without being offensive, I could raise a point of order?

Mr. Monteith: He asked a question.

Mr. Pickersgill: Surely I also have some right to speak in the house as well as other hon. members. I am raising a point of order and I think that is competent even to a member on the treasury benches. Although hon. gentlemen seem to object very strenuously when we speak and even more strenuously when we do not, I still persist, sir, in raising my point of order. There was a lot of talk the other night about general debates on the first item, but there was certainly no talk about general debates on the last item. I wonder whether the two hon. members who are so interested in mines in the Yukon could have a private talk and let the rest of the house go on with the estimates according to the rules?

Mr. Nielsen: I think I might perhaps comply with the request of the Minister of Transport, but it was the minister sitting immediately to his left who raised this matter in the first instance and apparently another of his colleagues is also quite interested. I am sure other members of the committee are likewise interested, with the sole exception perhaps of the Minister of Transport, although it seems to me a unique situation for him to be holding that portfolio and to express disinterest in the subject of additional communication in the country.

However, as a result of those roads oil was discovered for the first time in the Yukon, tungsten was discovered for the first time in the Yukon, a silver mine was opened in the Mayo area and an asbestos mine in the Dawson area. All of these discoveries were brought about by the increased interest of private investment in a country which hitherto had been neglected so far as the construction of roads was concerned. It was the previous government which created the atmosphere for development.

Mr. Pickersgill: Don't forget Arizona Charlie.

Mr. Nielsen: I will come back to Arizona Charlie in a moment or two.

The Chairman: Order, please. It seems to me we were doing rather well a few minutes ago, and I wonder if I could have the co-operation of all hon. members to get back to the resolution, and to limit their remarks to vote 169e.

Mr. Nielsen: Mr. Chairman, if it had not been for the intervention of the Minister of Transport and the hon. member whose riding for the moment escapes me—as I am sure it will him in the next election—I would have been through; but I just want to point out that it was because of the impetus given by the previous government, and its expenditures on roads in the Yukon, that these investments were made by private industry. That is in direct answer to the question which the minister posed, as to why the former administration did not maintain the Haines road.

While the former administration was in office it was so busy giving priority to developing the country to attract investment, which resulted in these mineral discoveries, that this matter, as well as many others, such as paving the Alaska highway, were placed somewhere in the middle of the list of priorities. I notice now that the order of priorities has been reversed, and that the development of roads has almost disappeared. Only one contract was let this year for road development in the Yukon.

Item agreed to.

DEPARTMENT OF TRADE AND COMMERCE

17e. Canadian government participation in the universal and international exhibition, Montreal, 1967—to amend vote 786 of the Appropriation Act No. 4, 1951 by deleting the words "to be called the Associate Deputy Minister of Trade and Commerce" and substituting the words "Commissioner General for the Canadian Government Participation, 1967 Exhibition", and to amend vote 692 of the Appropriation Act No. 5, 1958 by deleting the expression "$16,500" and substituting the expression "$23,000" therefor and to provide a further amount of $50,000.

Mr. Diefenbaker: Mr. Chairman, this is a particularly interesting item and one which has to do with the Canadian government participation in the exhibition in Montreal. This is a matter upon which the committee and the government should have some information.

We have been endeavouring to obtain, without success, or at least the information has not been brought down, the salaries of the various officials such as the commissioner general and the associate commissioner general. I am sure the minister will be able to furnish the fullest information in this connection.

[Mr. Pickersgill.]

Speaking as one who did everything he could to bring about a national exposition for confederation, and whose government devoted itself to securing the consent of nations and the support of nations on behalf of this very laudable objective, I would now like to know the degree to which the exposition is proceeding, the appropriations being made, and I also point out the fact that, considering the tremendous contribution being made by the people of Canada, information must be forthcoming.

When we entered into this plan it was made clear to us that Canada's contribution was to be $20 million, the contribution of the province of Quebec, as I recall it, $15 million, and that of the city of Montreal $5 million. No other city in Canada made any application to secure this exposition because various representatives said that the amount in question would not meet the needs of an exposition such as was contemplated and such as would be in keeping with Canada's position as a nation.

This project represents one of the largest ever undertaken in this nation. What the total expenditures are to date no one knows, although it has been estimated that the total expenses are—

Mr. McIlraith: I wonder if the Leader of the Opposition would permit me to draw something to his attention before he extends his remarks too far. It is the government's participation as an exhibitor that is involved in this item. This is not the item that has to do with the organization of the world fair, and I want to point out that distinction to him.

Mr. Diefenbaker: I very much appreciate any suggestion on the part of the hon. gentleman, but I am pointing out the fact that we have not secured any information in connection with the vast expenditures that the people of Canada are being called upon to make in this connection. We have a right to information, and we have not been able to get it.

Complaint is made sometimes, and has been made in the last couple of days by the Prime Minister and the Minister of Transport, that we have been obstructing the business of the house. I make it very clear we have been doing nothing of the kind. We have been trying to get information.

As a matter of fact the Prime Minister, according to a report in tonight's press, has left the suggestion or possibly leaked the suggestion, that our conduct is going to bring about an election. We are not at all frightened of that possibility. He is the only one who has any fear in that connection. Indeed, I am informed that—

Mr. Pearson: The last one put you over there.

Mr. Diefenbaker: I was waiting for the opportunity to hear what the right hon. gentleman had to say, because within the last 24 hours I understand that members of the cabinet have been giving consideration to this matter of holding an election. There has been every suggestion of it. In fact the Minister of Transport made a pilgrimage to Quebec and there made certain suggestions; the threat being that because we dare to ask for information which is denied us, a smokescreen is being raised—

Mr. Brewin: On a point of order, Mr. Chairman; is this discussion of an election related to the item before the committee?

Mr. Diefenbaker: Mr. Chairman, this is another example of the fine co-operation between the N.D.P. and the Liberal party. The only place they are separated is in the province of Saskatchewan.

The Chairman: Order. I am sure the right hon. gentleman will agree with me that the point of order raised by the hon. member for Greenwood is well taken, and I am sure he will want to limit his remarks to the item before the committee.

Mr. Diefenbaker: Mr. Chairman, I say with the greatest of deference you have always a manner of requesting order that secures the immediate attention and co-operation of all, but these were just passing observations I have been provoked into making. I return once more to the item to which Your Honour has directed my attention. I want to leave this with the minister and the government—that we want full information regarding expenditures being made of the moneys of Canada on this project. There is every indication that for some reason those associated with this project are engaged in making expenditures almost at a gallop. We want to have the fullest information regarding this particular item as indicative—and no doubt it will be indicative—of what appears to be, and to have been in recent months, the seriously wasteful course being followed by those responsible for ensuring the success of this exposition.

We want to make this exposition a success, but we want at the same time to have reasonable opportunities to look into the expenditures so that Canada's moneys will not be wasted. I ask the minister to make a full statement in connection with this item.

Mr. McIlraith: The item which forms the subject matter of the greater part of the right hon. gentleman's remarks does not appear in the supplementary estimates which are before the committee. The item is not before the committee at all and, for that reason. I am not able to give the full information which is sought, even if it were appropriate to do so.

As the right hon. gentleman knows, provision for this exhibition was set out in the agreement prepared by his own government, and the scheme for control over the expenditure was in that agreement. It is still contained in that governing document. I do not understand the suggestion that the right hon. gentleman has not been able to get information on this subject. I do not understand, because I do not see any questions on the order paper seeking information on this matter. If there are, I will certainly draw them to the attention of the minister having to do with this department on his return to the house.

Mr. Diefenbaker: Just by way of interest, here is one, number 599, and it has been on the order paper since March 31:

1. Have cars been rented for the world's fair executive?

2. Was the rental contract let by public tender and, if so (a) what are the names and addresses of the firms which submitted tenders (b) what was the amount of each tender?

3. What is the name and price quotation of the successful bidder?

That is the first one I turn to.

Mr. McIlraith: There has been a question on the order paper for ten days. I will try to make sure that an answer is obtained as quickly as possible and give it to the right hon. gentleman. When the estimate relating to this subject is before the committee, at the time the main estimates are under consideration, the information can be provided in a full and detailed way. I do not think there is much more I can usefully add at the moment.

Item agreed to.

28e. **Canadian government travel bureau, $90,000.**

Mr. Aiken: I wonder if the minister could tell us whether the advertising set out in this item in connection with the Canadian travel bureau is in a new area of endeavour or whether it is merely an additional expense in an existing area.

Mr. McIlraith: It is an additional expense in an existing area and it is for advertising campaigns in the United States, Britain and Europe to promote travel to Canada.

Item agreed to.

DEPARTMENT OF TRANSPORT

1e. **Departmental administration, $70,000.**

Mr. Nielsen: I endeavoured to obtain some answers from the Minister of Transport to questions which were, at the moment I asked them, of such a technical nature that he informed me he could not reply. But I am sure

he has now had an opportunity to look into the matter which I raised, and perhaps now he will be able to reply in a more satisfactory fashion.

The minister will recall that I raised the matter of the construction of 500-foot towers south of Calgary international airport on the approachways to runways at that airport, and I termed them at that time a hazard to air navigation. We had an exchange which left me in some doubt—

Mr. Pickersgill: I wonder if I could remind the hon. gentleman that the hon. member for Vancouver South put a question on the order paper which, of course, under the rules was the proper way to deal with this matter, and that this question was replied to long ago. The information is on record in *Hansard.*

Mr. Nielsen: Yes, the minister informed me that if I did not put the question on the order paper he would have his hon. friend from Vancouver South direct it to him in the house. I have read the answer and I listened to the minister as he gave it, but it still falls far short of satisfying my concern for the safety of general aviation in the vicinity of Calgary airport.

The Department of Transport, through the press and by personal telegrams, has reiterated that these towers would not constitute in any way a danger to aviation using the international airport at Calgary. This is not true. The observations of the department as to the absence of danger apply only to traffic originating under instrument flight rules, traffic which comprises only one quarter of 1 per cent of the traffic using Calgary airport. The submission I make now concerns the attitude of the department in totally ignoring the danger which these towers will present to V.F.R. traffic which comprises 99¾ per cent of the total traffic going in and out of the airport. It is this traffic to which the towers will constitute a danger.

Any traffic which originates in the Lethbridge or Cowley areas can legally fly toward Calgary with a ceiling of 500 feet and a visibility of one mile. It is patently impossible to see an object such as a radio tower, and take the appropriate action, in the space of one mile if visibility is impaired, say, by showers or falling snow. I do not know whether the minister realizes this or not. He may or may not have flying experience under visual flight rules, but his deputy minister should have this knowledge. The situation becomes all the more dangerous in the Calgary airport where the department's minima for V.F.R. flights are conditions of 500 feet and three miles. The minister should bear in mind that these towers are to be 500 feet above surface level.

[Mr. Nielsen.]

One of the procedures used in coming into Calgary, a procedure which most of the pilots flying single V.F.R. flights use, is going to be explained to the minister, now, in the hope that he will make submissions to his officials and, through them, to the C.B.C., that they should cease their determination to go ahead with the construction of these towers. If he is in the northern quadrant, a pilot reports to the Calgary tower at a place near Third Lake and then he comes in on the outer marker, if he is going to use runway 34, and takes a direct course from Third Lake to the outer marker. This course passes within 2,000 feet of the proposed towers and for the Department of Transport to claim that this situation poses no danger at all to V.F.R. aircraft is patently absurd. It is so dangerous for the Department of Transport to hold these views that I think it is almost impossible to arrive intelligently at the conclusion that the towers would create no danger to general aviation in the vicinity.

Calgary international airport has become an attractive airport of entry, if we may call it that, for visual flight rules traffic proceeding northwest to the Yukon, Alaska, and so on. A good deal of that traffic is increasing each year. Adding 500-foot towers on a recognized V.F.R. flyway into Calgary does in no way at all increase the attractiveness of the Calgary international airport for such traffic. It would in fact mean that in marginal weather pilots who were flying on V.F.R. routes would clear Lethbridge or go on to Edmonton, staying well east of Calgary.

We heard the former minister of transport speak about the operations at Penhold and the safety factors there, and we have heard the Minister of National Defence speak on this subject as well. Surely if they claim that general aviation safety is one of their prime concerns, the Minister of Transport should also take these factors into consideration. The minister, while he was holding the portfolio certainly, if not while he was not holding the portfolio, was made aware of a meeting which was held with his officials in Ottawa in November of 1963. This is commonly referred to as the "Hazards in air space meeting". Perhaps it was the minister in charge of the privy council, but I cannot recall. At that meeting it was understood and agreed by all groups representing general aviation that the grouping of radio and T.V. towers near any large city into one quadrant or area was a desirable philosophy.

This proposed C.B.C. tower in the vicinity of Calgary international airport violates the principle adopted at that meeting. The contention of the C.B.C. that the Shepard location is the only possible location for their transmission towers is absolute balderdash.

If the state of art of radio wave propagation in Canada is at such a level that the C.B.C. engineers are unable to design a transmitting system in that huge area lying south and west of runway 34 of the Calgary airport, which now contains only five towers, we are indeed suffering a drought of engineering talent, and I do not believe this is actually the case. I think the C.B.C. can find an alternate location which will not present a hazard to general aviation in the vicinity of Calgary international airport, and I think the minister should insist that the C.B.C. engineers look for an alternate location.

It might be argued that V.F.R. pilots will have to change their approaches to Calgary because of these towers. My contention is that this violates the principle that the overall system of controls of airways, regulations and the like, exists for the pilot, not that the pilot exists only for the system. Air line pilots have been reported as saying that these towers will present no hazard to aviation in the area; but I point out to the minister that these air line pilots constitute only a quarter of 1 per cent of the traffic that uses the airport. These V.F.R. pilots put forward a plea, which appears to be falling on deaf ears since not only in this regard is general aviation in the country being neglected but in many other areas as well.

I ask the minister, before this item passes, to give me his assurance that he will accede to the pleas of the several aviation organizations which I know have been in communication with him asking that these towers be relocated in the many, many acres of land available in the vicinity of Calgary international airport. The Alberta aviation council has made representations to the minister, as has the Canadian business aircraft association, the western division of the Canadian owners and pilots association, the international flying farmers, the royal Canadian flying clubs association, and others. Surely these associations that are well versed in aviation matters should be listened to and their recommendations should be considered by the minister in the most favourable light.

Rather than going ahead and insisting on the construction of these towers I think perhaps the minister would be well advised to sit down again with the engineers, or have his officials sit down with the engineers of the C.B.C. to see whether an alternate location cannot be found.

Mr. Chairman, I have just one more point to make to the minister before concluding.

Some hon. Members: Hear, hear.

Mr. Nielsen: I am glad to hear that some hon. members on the other side of the chamber are also interested in the safety of general aviation in the country. The other point I have to make concerns the slow dismantling which seems to be occurring with regard to radio aids to navigation in this country. I will pinpoint a few of them for the minister and I hope he will take into consideration the serious problem that it represents to the small aircraft operator in Canada—not the huge air lines flying D.C.8's and aircraft with all sorts of radar equipment—

An hon. Member: And the D.C.9.

Mr. Nielsen: —including the D.C.9's, but rather the small, charter operator who cannot afford expensive radar and radio equipment. The department is slowly dismantling the directional radio facilities in this country. I mentioned Kenora, Pagwa and Armstrong, which has not yet been dismantled but which is going to be changed. All these are now directional units which assist an aircraft operator in finding his way across the air highways of this country. They are being converted into non-directional units. For the small aircraft owner and operator to have the minimum radio aid equipment in his aircraft he has to lay out between $900 and $1,500, which gives him what we call A.D.F. and a radio compass. These radio aids to navigation are completely safe if they are directional, because if the radio compass in the aircraft fails, the pilot of an aircraft can determine his location and navigate on radio signals alone. But if the directional facility is not there and the radio compass fails, he is lost; he has had it. So that the value of these directional facilities to the pilot is very great indeed and I think the minister should stop now and reassess—

An hon. Member: Mind you don't get lost.

Mr. Nielsen: I know that a good many members on the opposite side would like to see me lose my radio compass, but I am afraid I check it before I crack off on every journey I make. I am extremely disappointed each time I fly across this country to find that another directional facility has been abandoned. I think it is a very sad state of affairs, because general aviation in the country is being made less safe. One of the hon. members opposite might one day find himself in an aircraft that has been chartered by himself or by another group, and he is going to be very sorry that these directional facilities were abandoned by the department. I think the government, and the minister particularly, should sit down and reassess this whole policy which seems to be implemented now. These directional facilities should not be abandoned; they are one of the few remaining aids to air navigation.

I did not quite hear what the intellectual member for Consolidated Mining and Smelting had to say. I wonder if he would stand up and say it. I would make this personal plea to the minister, as one who is very familiar with flying small aircraft in the country, and ask him to assure me that he will cause his officials—or perhaps he himself will take a personal interest in this matter—to see that these aids to navigation are retained. I realize that the big air lines do not need them any longer because of the improvements in radar and other aids to navigation, but the operators of small aircraft, whether they be private owners or small, charter operators, are still in great need of these facilities and the cost of their maintenance is well met if they save but one life in aircraft that are flying the air highways of this country.

Mr. Pickersgill: Perhaps I could reply immediately and very briefly to the hon. member, because I want to correct a mistake I made. I inadvertently referred to my hon. friend from Vancouver Quadra as the hon. member for Vancouver South. Of course the minister for northern affairs is the hon. member for Vancouver South, but long ago these two constituencies were one riding, and even though they are now two constituencies their representatives were always on this side of the house.

I should also thank the hon. member for Yukon on behalf of the hon. member for Calgary North and the hon. member for Bow River for making speeches in connection with the airports in their constituencies; I am sure they will be grateful to him. I may say that the wealth of knowledge of the hon. gentleman is quite overwhelming to me, although I do not know about his directional guides. I would be quite incompetent to reply to him now, but I have taken careful note of both points which he made, and out of my great regard for the hon. gentleman's knowledge I assure him that I will see that the points he has made are very fully considered.

Mr. Olson: Mr. Chairman, this is the first item on this department and I should like to raise a question of great concern to me and to the city of Medicine Hat. I have on occasion during the past few weeks attempted to ask questions on orders of the day about this matter. Perhaps that was not the proper place, but I am happy to see both the present Minister of Transport and his immediate predecessor in the house tonight. The matter I wish to discuss concerns the southern prairie air run.

I have to go into a little history about this air run which is presently completely without service. As long ago as November 1962 Trans-Canada Air Lines made application to the air transport board to suspend their air service or to be relieved from the obligation to provide a service on the southern prairie air run. The chambers of commerce and city councils of Regina, Swift Current, Medicine Hat and most of the other places concerned raised very serious objections to this at the time. As a result of the air transport board hearings—their findings and recommendations—in February 1963 Trans-Canada Air Lines was granted permission to withdraw from this service because it required the use of two piston engine aircraft, and they claimed they had now converted completely to turbines. Furthermore, TransAir was granted the right to provide this service, particularly from Regina to Swift Current to Medicine Hat to Calgary.

To make a long story short, when TransAir took over this run they were given something like $500,000 worth of equipment by T.C.A. Now, less than a year later, they have suspended the entire service from Regina to Calgary and I understand have reduced the service from Brandon, Dauphin and Yorkton to one flight a week. This is on a Thursday and it used to be a daily run.

Under the agreement between Trans-Canada Air Lines and TransAir there was a transfer of two DC-3 aircraft plus one Viscount aircraft, plus a large amout of other equipment, all for the sum of $1, provided TransAir operated this service for three years. This service has not been provided.

I should like to ask the government what they are doing about getting back this $500,000 worth of equipment, or about demanding payment by TransAir for not fulfilling the terms of the agreement. All of these places I have mentioned are now without air line service of any kind. It happens that in the city of Medicine Hat the federal government is spending $600,000 to renovate one of the runways at the airport, and as I say there is no air line service being operated at the present time. Despite all the representations which have been made to Trans-Canada Air Lines and the air transport board, as well as to the Minister of Transport, no assurance has been given that even after this expenditure has been completed and the renovations concluded air line service will be resumed.

There is something very intriguing about this whole deal, because I know of no indication by Trans-Canada Air Lines that when TransAir applied for the run they would be given any equipment or any subsidy. It is grossly unfair to all of the other air carriers who applied with TransAir for this run in

November 1962. Many of the carriers had laid out some sort of schedule which they were prepared to follow provided the federal government gave them some kind of subsidy. But no subsidy was forthcoming and TransAir offered, according to the decision of the air transport board, the most acceptable kind of service. As I say, when they were granted this franchise, or whatever it should be called, to provide this service T.C.A. transferred to them these three aircraft plus other equipment worth $500,000. If there was some kind of agreement between TransAir and Trans-Canada Air Lines before that date—and I happen to be one who is very suspicious that this was the case—then the submissions made at the air transport board hearings in Regina are shown to be nothing more or less than farcical. Here is $500,000 given to TransAir, and none of the other companies which bid for this run were even aware of it.

Since TransAir has now abandoned this service we have asked Trans-Canada Air Lines if they are prepared to resume it, particularly into the city of Medicine Hat. I have before me a letter addressed to the mayor of the city of Medicine Hat from the president of Trans-Canada Air Lines, and it says this:

> Thank you for your letter of February 18 in which you ask that serious consideration be given by T.C.A. to re-establishing its service to Medicine Hat as and when the airport is made suitable for Viscount operations.
>
> To come to what I feel sure is the unwelcome truth at the outset, I can hold out no hope whatever that T.C.A. could resume service to Medicine Hat even if the related airport was made suitable for Viscount operation.

I do not want to read the whole letter, but further on Mr. McGregor says this:

> I will not pretend to you that the service represented to T.C.A. anything but a net loss, due to paucity of traffic, but we would have been prepared to continue with cross-subsidization as we do in several other cases, if we had been put in a position where we could use Viscount aircraft.

This is exactly what is taking place in so far as the $600,000 expenditure to extend the runway is concerned. Then, he goes on:

> However, now that our ground organization has been disbanded, and in every sense of the word our bridges burned, we could not give serious economic consideration to resuming service to one or more of the original "prairie run" stations.

I want to know if there was some kind of deal between Trans-Canada Air Lines and TransAir, some kind of intrigue, before TransAir was given the right to operate this run so that Trans-Canada Air Lines could get out from under it. It is obvious from the answers we have been getting lately that this was a convenient way for Trans-Canada Air Lines to turn over this operation to TransAir and give them $500,000 worth of equipment so that Trans-Canada Air Lines could get out from under, knowing full well that TransAir was going to let go a little later.

I say to you, Mr. Chairman, that the application of TransAir for this run and the kind of service that they intend to give was completely ridiculous, unless something had been promised to them in addition to what was made known at the hearing. We know that there was $500,000 worth of aircraft and equipment transferred. I want to know from the minister what the government intends to do about getting this equipment back from TransAir or making TransAir pay for it. Clause 13 of the agreement between Trans-Canada Air Lines and TransAir reads as follows:

> If TransAir fails to commence the said operations pursuant to clause 12 hereof, TransAir undertakes to pay as liquidated damages to T.C.A. the sum of $500,000 or at the option of TransAir shall return to T.C.A. all the equipment already delivered to TransAir by T.C.A.—

Then, paragraph (b) of that clause reads as follows:

> If TransAir commences operation of the aforesaid services pursuant to clause 12 hereof and thereafter discontinues such operation within three years of the said commencement of operations, TransAir undertakes to pay to T.C.A. that proportion of $500,000 which the period from the date of such discontinuance to the date three years after the commencement of operations bears to three years, or at the option of TransAir shall return to T.C.A. such equipment delivered to TransAir by T.C.A. hereunder—

As I said, Mr. Chairman, this area now has no air service. TransAir has a half million dollars worth of government property. This company operated the service for less than one year, and the agreement says they shall return the equipment or pay for it unless they operate the service for three years. I should like the Minister of Transport to tell me now what he is going to do about it. I do not want to be given the same excuse he gave earlier today to the hon. member for Mackenzie, namely that this is a deal between T.C.A. and TransAir and that he should not interfere.

I know that the present Minister of Transport did not enter into the deal or endorse the deal between TransAir and T.C.A., and neither did the government because it was entered into on February 16, 1963 before the government took office. I am not blaming him for entering into the deal. In fact, I am not even too critical of the previous government for entering into this deal because this represents subsidization of one kind or another. However, I am critical of the fact this company has disbanded the service, has violated the terms of the contract, and I think there is a definite obligation on the part of the government to see that TransAir either pays for the equipment or returns it.

In addition to that, Mr. Chairman, I believe it is the responsiblity of the present government to see that some kind of air service is re-established for these cities. I have written a rather extensive memorandum to the Minister of Transport outlining how a reasonably satisfactory air service could be re-established for the city of Medicine Hat with very little, if any, cost to Trans-Canada Air Lines. The city of Medicine Hat has forwarded to the Minister of Transport a brief outlining how this important service could be provided. The method would be to require T.C.A. to extend the run they now make daily from Calgary to Lethbridge to include Medicine Hat in the circuit. This would not require any more air crew or any more aircraft. It would require about 45 minutes additional flying time, plus one landing and one take-off. It happens that this flight takes off from Calgary and goes to Lethbridge, and could be extended to include Medicine Hat and then go back to Calgary in time to meet the transcontinental runs in both directions. This would provide desirable service for both freight and passengers. There are a lot of cut flowers and other greenhouse products that could be hauled from Medicine Hat if connections were made with the transcontinental runs.

TransAir, in my opinion, deliberately established schedules which nobody would use. During the first part of their operation they had something like three or four passengers per flight on an aircraft that would hold 26. I am not saying this would be profitable business. They changed their flight plan after they had been in operation for three months, specifically on July 14, 1963, and after that the passenger load was reduced to less than one passenger per flight. The reason is very simple. Their flight arrived in Calgary in the morning at 9.50 a.m. and the flight going to Toronto was at 4.45 in the afternoon. The flight going to Vancouver is a little earlier in the day. You even had to wait in Calgary for some time to get a flight to Edmonton. As I have said, this appears to be a deliberate attempt to discourage traffic so the company would be justified in abandoning the run. I suggest it is time we made them pay up or give back the equipment.

I do not want to take a lot more time in the committee, but this is a serious matter for the whole southern prairie, which is without any kind of satisfactory air line service. The hon. member for Mackenzie and the hon. member for Dauphin have told me recently that the service on their lines has been reduced to one flight per week. This is not a kind of service we expected to get when the franchise was transferred to TransAir. In closing, Mr. Chairman, I appeal to the Minister of Transport to use his influence to insist that T.C.A. re-establish some service into Medicine Hat on the basis of extending the Calgary-Lethbridge circuit. I think this would provide a satisfactory service and I believe it would generate business both in freight and in passengers. This service might even be profitable, rather than costing Trans-Canada Air Lines any money. I am not going to pursue the matter any further tonight, but I am going to insist, because of these suspicious circumstances, that TransAir be required to live up to the agreement. Since they have now abandoned the line, they have either to pay for the equipment or return it.

[Mr. Olson.]

Mr. Macquarrie: I am prompted to say a few words, and they will be very few because I happen to be a man of brevity. I am prompted because I am in receipt, as I am sure the Minister of Transport is, of a resolution passed unanimously by the legislative assembly of Prince Edward Island. I am directing my remarks to what might be called the general item. The resolution of the legislature of my province calls upon the government of Canada to take immediate action to fulfil its commitments, its promises, to provide, with a top rate priority, a car ferry as promised 13 months ago in many arenas of discussion, and to move forward too on the causeway.

It is not for me on these items to make comparisons between the present government and the former government, nor to recall that on the question of the causeway no less a person than the prime minister of the day committed the government and the country unequivocally to giving us that which we had long desired, a continuous communication link with the mainland. Nor shall I point out that since the present government has taken office we have been left in silence, so far as these important commitments are concerned, except for the occasional press release from the Solicitor General, who does not have administrative responsibility either for the causeway or the ferry.

In my desire to expedite these items and reserving my right to speak at length and with feeling when the main estimates come before us, I will say only that I hope the Minister of Transport, who in his halcyon days as a member of the opposition when there were no Liberals from Prince Edward Island was regarded as somewhat of a spokesman for our province, and expressed great interest in the causeway and the ferry, will bear in mind the resolution of the Prince Edward Island legislature which was endorsed as strongly by his political associates as by the members supporting the government of the great premier of that province, Hon. Walter Shaw.

I want to be brief but I hope to be allowed to make a few comments in a general way. I will almost promise not to say anything further on the items before us because like a good Presbyterian I go to bed early too, particularly on a Friday night. I was gratified when one of the minister's predecessors corrected an error which we in the Atlantic region had felt keenly for a long time. It involved the matter of the Trans-Canada Air Lines terminal. For years visitors from Europe and the United Kingdom have landed in Canada at Montreal, toured the great west and Ontario and Quebec but never found the time to come to the maritimes. Under one of the minister's predecessors, a member of the government which I had the honour to support for six years, it was arranged that there should be a terminal at Halifax and flights were arranged to arrive at Halifax. Although I am not given to extended silence, I was shocked beyond speech when I discovered that various departments of the present government, in their advertising in the United Kingdom describing the beauties and glories of our wonderful country, have ignored the Atlantic provinces completely.

It is not for me on a specific item such as this to compare the treatment which the Atlantic provinces receive from the present government with that received from the government which I had the honour to support, but I would ask the minister to note that T.C.A. does land in Halifax and that people from other parts of the world will find much beauty and charm and much worthwhile activity in visiting all four of our provinces by the sea. I think the minister is sort of an adopted member for one of them.

I should like to say too that in recent months the great railway hub of the Atlantic provinces, Moncton, has had a new terminal spring up, and I wish that the minister would ask Canadian National Railways to look into the matter of this terminal. Someone in the other place has called it a monstrosity. It may be a monstrosity but it is also one of the smallest I have ever seen. It is an insult to the people of the Atlantic provinces who, willy-nilly, must regard the city of Moncton as one of the great transportation depots in our area. There are more people coming through on one given train than the new station can accommodate, as far as seating capacity is concerned. I will not go into how far they must go to find a place to sit down. However, with the minister's erstwhile interest in our province and the maritimes generally I would ask him to look into the facilities we have in the C.N.R. depot to service that great area, "The Bend", as it was once called.

I pass quickly to the subject which has concerned Prince Edward Island parliamentarians of both parties. I may say to the hon. member for Winnipeg North Centre that we have been very mature in Prince Edward Island. We have only had two parties.

Mr. Knowles: Your day is coming.

Mr. Macquarrie: But all through the years we have been tremendously concerned about that vital link between ourselves and the mainland. I am still young enough to remember vividly the promises a year ago of immediate action on a car ferry linking us with the mainland, but now I find as a result of questions by my colleague, the other member for Queens, and myself, that the icebreaker is in a sort of deep freeze as far as plans are concerned for providing us with this vital link. I would ask the genial and occasionally hotheaded minister to do what he can to thaw out that deep freeze.

There are many other things I could say about the question of transportation to our province. I could say how fed up we in Prince Edward Island are with having the C.N.R. deficit on the car ferry operation charged against Prince Edward Island, whereas we all know that years ago it was transferred to an item in the consolidated revenue fund. I could tell the minister how concerned we were about the rumours, not so insubstantial, about an increase in rates on both of our ferries and the attitude of the present government and the reaction thereto. I am not given to partisanship but I must say that the government has engaged in another revision at which it is such an expert.

I would ask for the consideration of the minister as a man who used to be interested. As a matter of fact, I will not say he is not interested. I am not so partisan as to say that the hon. member, formerly from Ontario, for a long time from Manitoba and now from Newfoundland, is not interested in our problems but I would say to him that when he deals with the problems of Prince Edward Island and comes to the question of transportation he is dealing with something much more than a political matter. He is dealing with something that is vital to us and of a constitutional priority at least as great as any of those matters which his Prime Minister has mentioned in his various discussions about priorities in the constitutional scheme of things.

It was the great problem when we reluctantly entered confederation. We applauded the efforts of his predecessors in providing us with some of the most up to date and speedy ferries we have ever had. We applauded the action of the leader of the government I supported in stating in the house

unequivocally that we would get a permanent link. Our people are disturbed, upset, querulous and wondering about the lack of a concise statement on this matter. I have invited the minister, I have invited the Minister of Public Works, I have invited the Prime Minister, but we have not yet received a statement. I hope that we shall.

Mr. Rapp: Mr. Chairman, I would like to direct a question to the Minister of Transport in reference to port facilities on Hudson bay at Fort Churchill. Over the years the western farmers have been asking for larger port facilities and bigger terminals in order to ship their grain through Fort Churchill. Last year, more than ever before, the Hudson bay route association, farm organizations and other people sought strenuously for consideration to be given to this very serious problem.

Just recently the Hudson bay association passed a resolution requesting that these port facilities be enlarged, as all the prospects indicate another big year for the export shipment of grain from the three prairie provinces.

The excuse has always been used that the port facilities there are not large enough to handle more than 20 million bushels of grain a year, and if that be the case I want the minister to give serious consideration to building other terminals, these so-called inland terminals. Not so long ago I had a chat with one of the grain commissioners, and he informed me that if grain could go out to these port facilities clean, like for instance in Vancouver, shipments through this port could be increased by 100 per cent. If that is the case in Vancouver, then certainly inland terminals could serve the same purpose in this case, and grain shipments from Hudson bay could be increased many times.

I bring this to the minister's attention because I understand the national harbours board comes under his jurisdiction. In that connection I ask the minister, does the harbours board have to have authority from him, or the department, to have the port facilities, elevators or terminal facilities built, or must the minister seek the money for such projects in the estimates of his own department? I am very much interested in this question because I was given to understand, the first time I had a question on the order paper about it, that the harbours board did have authority to build these things without their having to be approved by the department. That is all I have to say, and I do not intend to hold up the discussion any longer.

Mr. Clancy: I was very interested in the remarks of the hon. member for Medicine Hat, as I too am interested in the prairie milk run. Since Medicine Hat seems so ungrateful about it, I ask the minister to transfer that $600,000 to Yorkton and, if he does, I will meet him at the front steps every morning and escort him into the house.

At Yorkton our service is down to one plane a week because our airport is substandard. It will not take a Viscount except on an emergency landing, but we would like to see the prairie milk run kept in operation, and to do that we need facilities.

There is another question I wish to ask the minister. Why are the fees for hangar and the the apron rental per foot the same for commercial companies or commercial flying clubs in Regina as they are in Yorkton? Regina has a first class airport while Yorkton has not, but the department charges the same rental per foot for the Yorkton Flying Enterprises as it charges for similar companies in Regina.

Mr. Korchinski: I also would like to say a few words on this question of the TransAir-T.C.A. agreement which was signed recently, and which was intended to provide service for three years. I am happy the hon. member for Medicine Hat has taken the time to explain the details of the agreement, and I may say I am somewhat familiar with that run because this is the nearest airport to my riding. I have used it on numerous occasions travelling to and from Ottawa.

When TransAir first took it over they had a run which was operated previously by T.C.A. and that provided plane service every day. However, shortly after that TransAir decided that for three days a week the planes would go in one direction and on another three days they go in the return direction. That immediately resulted in a loss of traffic.

This morning, as I pointed out to the Minister of Transport, I expected he would look into this quite serious problem. I told him I expected a report from him. I hope he will provide us with it because now TransAir has decided not to go into the city of Regina. I dare say one of the reasons is loss of passenger traffic, but how can passenger traffic be maintained if no one knows the schedules? TransAir does not even bother to print schedules. They run off mimeographed copies because the schedules change almost every other week. That is the reason passengers are not using the service and I understand that very shortly TransAir will provide service on only one day a week.

I do not know how long this is intended to go on, but I think this is just one of TransAir's ways of getting out of their agreement, and they hope no one will look into the problem. I think the agreement was signed in all sincerity, but if there was something

underhanded about it, or it was made for some other purpose, then the minister should investigate it.

Recently the minister went to Saskatchewan and in the city of Saskatoon indicated that the rail line abandonment problem is well in hand. I know legislation will be brought down dealing with this matter, but I notice that after July 1 the railways will be allowed once more to make application for an increase in rates. I do not know the magic surrounding that date, but it may have something to do with a by-election. It seems to me that here is a magic date which will serve to pacify the people, to throw farmers off their guard, into believing service will be provided and that there will be no loss of railways lines.

Those who have been interested because their lines have been designated for abandonment have set up committees and have been working. Now, because of the minister's statement, they will perhaps sit back, feeling secure. If the hon. gentleman is making these statements because of what is happening in Saskachewan, or will happen on April 22; if he is making those statements because of a by-election which will be held there, I say he is doing a disservice to those people. If a line is to be abandoned it is his responsibility to deal frankly with those people who will be affected. I am sure they will be willing to co-operate wherever this seems the proper course to take. But to expect them to throw down their guard is to do them a disservice if lines are to be abandoned.

Mr. Nasserden: I have very few words to say tonight. First, I should like to remind the Minister of Transport of the matter I brought up on a previous occasion. This has to do with whether or not the government is developing a policy with regard to increased assistance to promote local civic air strips across the country.

The other matter which has engaged my attention arises out of the development which has been taking place on the railroads whereby trains today are much longer than they used to be in days gone by. In many cases, crossings close to towns, villages and cities are closed due to the length of freight trains today. Sometimes they have upwards of 200 cars, and this causes a bottleneck in local transportation on streets and highways. I wonder if the minister and the government are giving any attention to an accelerated program to provide for overpasses and underpasses in this regard.

I was glad to see the hon. gentleman appointed to his present portfolio because I believe he has that sense of history which was mentioned by the hon. member for Queens (Mr. Macquarrie) in regard to the constitutional aspect in this country. I refer, of course, to the guarantees which were given to western Canada in the Crowsnest pass rates years ago, an integral part of the charter to that part of the country from the parliament of Canada. I was pleased to hear the assurance the minister has given to people in western Canada that there will not be the measure of abandonment of rail lines which the applications presently before the board of transport commissioners would indicate. I am one of those who believe that if you take a look at the history of both the historic parties in this parliament there is room for a policy which will alleviate the situation which appears on the surface, when you take a look at the applications which are before the transport commissioners today.

Like the hon. member for Mackenzie, I hope and I believe that the minister is sincere in the representations he has made—that he is sincere in those things he has said in western Canada regarding rail line abandonment. Without saying anything further I should like to hope that the government will give consideration to introducing the other policies I have mentioned here tonight, because I believe they are very urgently needed at this particular time.

Mr. Pugh: A few short words. Over the last six or seven years the Kelowna airport has grown. The government has been most helpful but there is one small point of urgency at the present time. That is the completion of the installation of the lighting to the north and south end of the field. The reason for urgency is that Canadian Pacific Airlines which flies into that airport is now using Convairs. They are changing over to DC-6s, and the changeover is to be made next fall at a season when darkness comes earlier in the evening. The schedule may have to be curtailed unless the installation of these lights has been completed by then. I would ask the minister to look into this, as I know he will, and expedite the matter.

Mr. More: I only want to say a word. Last year I saised the question of the milk run with the former minister. If I remember correctly—he is here and can correct me—he said at that time that in regard to the milk run it was being examined and they hoped there could be a realignment of service which could give good service and the service could be continued.

Subsequently, of course, we all know what happened. The minister was good enough to provide me with the order in council and the agreement which was reached. I think it was reached in good faith. I do not accept the insinuations of the hon. member for Medicine

Hat. I talked to T.C.A. and the other party involved. T.C.A. had a problem with regard to servicing and they said it was a good deal for them, and therefore perhaps for the government of Canada. I think it was accepted on that basis. I do not place a value on the equipment which was turned over—$500,000 or $600,000. It was never offered to anybody else, and it is an arbitrary figure. It could be a million dollars for that matter.

Mr. Olson: That is the exact amount stipulated in the contract.

Mr. More: I say it is an arbitrary figure and no one can give me a basis for arriving at it. The equipment was never offered to anybody else. I do not have any axe to grind and I do not represent any former carrier, but I do say that the result of what has happened seems to me to be that TransAir has come out of this, abandoning a service which it was under an obligation to provide altogether for three years, realigning the schedule if that could be done. They are going to end up with the profitable part of the run—Regina, Saskatoon, Prince Albert. They have abandoned the service to Medicine Hat and I am concerned that they should have ended up in a position where they have reaped a profit during the length of time they operated the run, to the detriment of the other air service which was interested in having it.

I think this is wrong and I believe the government should see to it that T.C.A., the government party to the agreement, one might say, should perform or pay. I believe this is only right. I have heard of the company's big losses but only last week I saw a statement in the press that TransAir had increased its profit on its total operation this year. It was not very large, but the amount of which I am speaking was part of it.

Traffic from the Yorkton area is naturally orientated toward Regina, but the TransAir service has orientated it to Winnipeg, now, and I do not think that should be so. I do not think it right that a Saskatchewan community, naturally orientated to the capital city of that province, should, by reason of the air service provided, be encouraged to orientate toward Winnipeg. I object to this and I am concerned about it as are the chamber of commerce and the people of Regina.

I ask the minister to see to it that TransAir should perform or pay, and that the arrangement is fair to everybody. I hope the examination which the minister said was taking place, and the ideas he had about continuing the air service to the prairies, can be worked out and that we shall have some kind of air service. I think it is too bad. I understand that the present service of TransAir, which they said was reorientated, was to connect with the jet service from Winnipeg, eastward. You took it and got in an hour after the service had left. This is something that came with the railways trying to get out of the passenger service for a time. Thank God the C.N.R. seems to be staying in and trying to provide better service and schedules now. I appreciate there being an agreement. I think it discloses everything and I do not have any suspicions in that regard. But I do say that because of what has happened since, it is up to the government to see that the terms of that agreement are carried out by the parties to it.

Some hon. Members: Carried.

Mr. Pickersgill: Mr. Chairman, I do not think it would be right to have the item carried without my saying a word about some of the points that have been raised. Since this is the last item on which there could possibly be a general debate, perhaps it is safe for me to do this. Most of the points that have been raised on this particular item are appropriate for the supplementary estimates and not for the main estimates; therefore I shall try to deal very briefly with them.

The hon. member for Mackenzie asked me today about the contract between Trans-Canada Air Lines and TransAir, and in his supplementary question he did remind me that the contract had to be confirmed by order in council. For that reason I would assume that the government would have some responsibility in the matter. Whatever responsibility the government has, I can assure hon. members it will be discharged; and, as I said earlier today, I will ask T.C.A. to give me a report at once on this matter and anything and everything I can properly disclose to the house will be disclosed. I am very much concerned about this matter, as I think everyone is who has lived in a part of the country that has enjoyed air service and then finds it curtailed. There is a very great deal of concern about the curtailment of service on the prairies and I hope that some solution can be found to provide a decent service to these communities. The matter is one, of course, that the government directly cannot settle. Parliament has put this matter in the hands of the air transport board and it would be quite impossible for the government or myself to attempt to do it directly. But I think hon. members do know that whatever time I can possibly find from urgent, day to day duties, I am devoting to a consideration of over-all air policy. One of the biggest elements in that policy is to provide a proper system whereby regional carriers can serve those communities which bigger and more expensive aircraft

cannot reach. There is a need for feeder service in these areas and to provide local services. I am very anxious that we strike a proper balance between regional services, main line services and international services. I do not think we have it at present, and assuming we do it right, the sooner it can be done, the better. I am trying to do this just as diligently as I can.

I noted what the hon. member for Yorkton said about the character of the airport there and about the rents. I will make some inquiries about those matters and let him know about them. I have had information brought to my attention already, and I am glad the hon. member for Okanagan Boundary repeated it, about the airport at Kelowna. Even this week I happened to see someone from Kelowna who spoke to me about it. I am having that matter looked into. I noticed what the hon. member for Regina City and other hon. members said with regard to the subject about which I have already spoken. With regard to the subject raised by the hon. member for Rosthern, namely the civic airstrip policy, I will attempt to do something about that when my main estimates are before the house on another occasion.

A number of hon. members have raised the railway question and I should like to say three things in this connection. First of all, so far as the Crowsnest rates are concerned, they are not going to be touched, period.

Some hon. Members: Hear, hear.

Mr. Pickersgill: So far as rail line abandonment is concerned, it was the previous government, as I have said four or five times already in the house, that asked both railways to indicate to the board of transport commissioners every line they had any thought of abandoning. The C.N.R. has done that; I do not believe the C.P.R. has. It may be to the detriment of the C.N.R. that they did it, because it has created a great deal of quite unnecessary apprehension. It is perfectly obvious that many of these lines, and perhaps most of them, and may be for quite a long time all of them, are not going to be abandoned. In any event, the notice of the legislation that was given by my hon. friend the President of the Privy Council last December indicated that we were going to set up a railway rationalization authority to consider this matter and that a fund was going to be set up. It would not be right for me to go into the details now, but the fund is for a purpose, and the purpose is to see that lines are not abandoned that are needed for economic and social grounds merely because those particular lines cannot necessarily pay. That is the position. That does not say there will not be some rail line abandonment, and I do not believe there is any member from the prairies who would say that every mile of railway that is now there should be there forever. But as I have indicated four or five times before, the position of this government is that the needs of the people should be served and, above all, the needs of the farmers and of the wheat growers shall be put in first place and the question of balance sheets of the railways in second place.

Some hon. Members: Hear, hear.

Mr. Pickersgill: That will be just as true in the second part of 1964 as in the first half; it will be just as true in 1965 as in 1964; and it will be just as true in 1966 and 1967 also. With regard to railway rates, hon. members will recall that I also said something about this earlier today in answering a question, and I was rather surprised that it was raised in the way it was by the hon. member for Mackenzie, who is generally very fair about these things. I expressed satisfaction that the railway association—that is, the two railways —had voluntarily agreed to extend for another three months the suspension of the increase in rates which was granted to them by the board of transport commissioners. This additional three months will give us that much more time to deal with this problem. I hope that in these next three months—and, of course, in regard to one of them ten days have already been expended—this House of Commons will see fit to deal with that legislation and to deal with it conclusively.

I finally come to this matter. Well not finally but penultimately I come to my hon. friend from Tisdale. I take the third part of his constituency because it is the part I like best, the reason being that the name came from Norfolk county. The hon. member for Tisdale will be interested to know that last Saturday I was in Churchill and I was enjoying myself much more than I have been today. The weather was fine; there was a south wind blowing; it was about 40 degrees. I examined the terminal facilities; I looked at the airport, and I also went to see the Eskimos, who incidentally are going to the provincial schools there. I believe that with good organization even more grain can be shipped out of Churchill in the coming season than was shipped out in the last season, which was the best season that Churchill ever had.

The hon. member for Humboldt-Melfort-Tisdale, and I am sure everybody else on the prairies, can be reassured when I confess that I was one of the original supporters of the "On-to-the-bay association", at a time when most hon. members on the other side of the house were not yet born.

Some hon. Members: Oh, oh.

Mr. Pickersgill: That is my interest in travel around Hudson bay; at least it is historical.

I now come to my honourable, genial and constitutional friend from Prince Edward Island, the junior member for Queens, who looks younger than ever. I may say I am surprised that the junior and alert member for Queens missed the speech I made in North Sydney the other day when I said the causeway would be built, period. And it will. The ferry will also be built. In fact, it would have been built a lot faster if the senior member for Queens had been able to prod his colleagues a little more successfully than he was able to when they were on this side of the house. The trouble was that there were no Liberal voices in those days from Prince Edward Island to prod the government and we had to wait for a change of government to get this thing started. But it is going to go, and it is going to go pretty fast.

I think that deals with all those points which have been raised, except those matters of broad policy that I will be glad to make a long and tiresome speech about on the main estimates, if we ever reach them.

Mr. Orlikow: Mr. Chairman, it is not my intention to be more than two minutes. I want to say to the minister that his promise to raise with T.C.A. the matter of the contract made with TransAir and which was not fulfilled by TransAir, and the failure to take the ordinary precautions which any good business management would have taken to see that the other party to a contract fulfils the contract, has left most of us with a good deal of concern. It is not my intention to keep the committee tonight. I want the minister to be on notice, however, that we think this is a very strange piece of business which T.C.A., the very efficient management of which we have heard so much about, permitted to be transacted. After all T.C.A. made an agreement with TransAir by which in effect T.C.A. subsidized a private company by giving them equipment worth $500,000. A condition of that agreement was that TransAir would carry on the "milk run" through western Canada for three years. TransAir fulfilled their part of the contract for less than one year. T.C.A. may not have been very worried about that contract; after all, they got out of what they thought was a pretty poor deal, and that is all they were worried about. But the people who worked on this aircraft in Winnipeg are very concerned. The people who are not getting any air service are very concerned. Those of us who think that $500,000 is a pretty large sum of money and that TransAir should pay the money back or return the equipment are also very concerned.

[Mr. Pickersgill.]

All I wish to do tonight is to put the minister on notice that when his estimates come up in the regular way—and I am sure they will—he is in for a good long, hard discussion. The minister might pass on to the president of T.C.A. the promise of members on this side of the house that the first time he gets before the proper parliamentary committee he will have to explain in considerable detail what happened to this $500,000 before he gets back to his fancy office in Montreal to run his regular business.

Mr. Olson: Mr. Chairman, it will take me not two minutes to say to the minister that I am glad he has now accepted some responsibility for seeing to it that an investigation is made into the T.C.A.-TransAir agreement. If he will also assume some responsibility to require Trans-Canada Air Lines—or Air Canada as it is now called—to carry out its obligations to provide air services in Canada, a responsibility which was given to that company by their charter and the initiating legislation, and so on, a comprehensive air service including regional and feeder lines as well as the main transcontinental runs, then I will be satisfied.

Item agreed to.

Railway and steamship services—

65e. Construction or acquisition of auto-ferry vessels and equipment—to extend the purposes of vote 65 of the main estimates for 1963-64 to include the vessels detailed in these estimates, $1.

Mr. MacLean (Queens): Mr. Chairman, I do not want to hold up the committee but I should like to ask the minister a question regarding the extra amount for the Wood Islands and Caribou services. I presume this is for the new ferry which will come into service.

Mr. Pickersgill: I think the president of the council has the information.

Mr. MacLean (Queens): While the Minister of Transport's colleague is looking up this information, may I say that I realize the Minister of Transport is new in his portfolio and therefore I do not want to go into the matter in detail. However, when he becomes a little more familiar with the history of his department I think he will find that over the years both parties when in power have had a fairly good and consistent record as far as the transportation facilities to Prince Edward Island are concerned. If he will look at the situation completely fairly, perhaps by chance or by the circumstances prevailing at the time I think Conservative governments have contributed more by way of vessels. However, I am not going to go into that point at this time.

During the term of office of the last government the minister will find that there were two new ferries built on Prince Edward Island, one for each service. Also initial steps were taken in the construction of a third, the one we are looking forward to coming into service as soon as possible. I know this will be a large vessel, the design of which will take a considerable time, but I should like to make one suggestion. I understand that modern dayliners cannot be carried on the present ferries; I believe trials were held in this regard. I should like to see a new ferry built which will accommodate modern dayliners, because this would provide a fast passenger service to Prince Edward Island which, if it would not pay for it, would at least reduce the deficit.

Item agreed to.

St. Lawrence seaway authority—

230e. Operating deficit and capital requirements of canals and works entrusted to the St. Lawrence seaway authority, $540,000.

Mr. Bell: I want to ask a question of the minister. I am not sure I will get the information but at least the question will serve to prove that I have been patiently sitting here for the last 16 days. The minister knows I have been asking questions about this matter before. Without any preamble, I should like to ask if he has any more information about when a decision will be made as to a possible increase in tolls on the seaway. The minister knows what effect this will have on the maritimes and other areas. We hear reports every day from the United States to the effect that the senate is against tolls. I think it is important that some indication be given from time to time of our thoughts on this subject. When will the matter be brought forward? When will a decision be made, and what are we thinking about this important matter?

Mr. Pickersgill: Under the statutes, of course, there has to be a review before July 1 of this year. Discussions are going on at the present moment between the St. Lawrence corporation of the United States and the seaway authority on this matter. I hope to be able to report quite soon on the subject, but I cannot at the moment.

Mr. Bell: Supposing an organization wished to present a brief outlining their views on the effects of an increase in tolls, will they be able to do this, or will the minister make an interim report before the details are announced?

Mr. Pickersgill: I think any interested party could make representations at any time to the seaway authority. I believe however it is contemplated that, in certain circumstances, there would be public hearings.

Item agreed to.

Progress reported.

Resolutions adopted in committee of supply this day reported and concurred in.

WAYS AND MEANS

The house in committee of ways and means, Mr. Lamoureux in the chair.

Mr. McIlraith moved:

Resolved, that toward making good the supply granted to Her Majesty on account of certain expenses of the public service for the fiscal year ending March 31, 1964, the sum of $143,702,715, be granted out of the consolidated revenue fund of Canada.

Motion agreed to.

Resolution reported and concurred in.

Mr. McIlraith thereupon moved for leave to introduce Bill No. C-89, for granting to Her Majesty certain sums of money for the public service of the financial year ending March 31, 1964.

Motion agreed to, and bill read the first time.

Mr. Deputy Speaker: When shall the said bill be read a second time, now?

An hon. Member: By leave.

Mr. McIlraith moved the second reading of the bill.

Mr. Stanley Knowles (Winnipeg North Centre): Before this bill is read the second time, there is just a brief word I should like to say. I say it with the best of good will and I say it expressing the concern of all members in the House of Commons. I merely want to express the hope that we do not soon again get into the kind of situation that we have had recently. It is not my purpose to assess blame, other than to say I think there is blame all around, and that includes all of us.

An hon. Member: Let us get on with the business.

Mr. Knowles: This kind of situation can be avoided if this type of legislation is not delayed until the last minute but is introduced in sufficient time for the house to be able to deal with it. None of us knows when the next supplementary estimates will be laid before the house. However, all of us know that at the end of next month the government will require interim supply. I plead with the government now that it not leave the next interim supply bill to the end of May, but that they introduce it not later than May 15

so that we can give proper attention to these matters without feeling that a gun is being put to our heads.

Hon. J. W. Pickersgill (Minister of Transport): I simply cannot allow the hon. gentleman's remarks to pass. The legislation we are now considering was brought before this house on March 13 which, according to the best information I am able to get, is the earliest date before the end of the fiscal year this has happened in the last ten years. Interim supply was also announced for consideration on that same day and was brought forward at the earliest possible moment thereafter.

Whatever disposition the house may have made of it, the record should not be distorted to suggest that the initiation of this matter was not early enough. I am not going to prolong the debate, but I have some really remarkable quotations from the hon. member for Winnipeg South Centre concerning the length of time we ought to take in dealing with supplementary estimates.

Hon. Gordon Churchill (Winnipeg South Centre): My name has been brought into the discussion, and I was not going to say a word except to express my disappointment that the subject has been raised at all at this stage. We were getting on rather famously and co-operating as we used to do. I am pleased to see the Minister of Transport has recovered some of the good humour which he used to display when he was house leader. However, this is not a subject under discussion at this time and I suggest we get on with the business.

Mr. Heath Macquarrie (Queens): I wonder if any member of the government might be able to indicate to us when the other chamber will be able to deal with this measure which we have dealt with so expeditiously and in such a statesmanlike manner?

Mr. Pickersgill: Perhaps I could do that when we get into committee.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Lamoureux in the chair.

On clause 1.

Mr. Pickersgill: Although perhaps it is not strictly in order, I ought to try to satisfy the curiosity of the hon. member for Queens (Mr. Macquarrie). I was informed by the government leader in the other place that they had adjourned subject to recall on 24 hours' notice. I do not imagine, however, they will be sitting either tomorrow or Sunday. However, it would appear they are prepared to deal with this matter.

[Mr. Knowles.]

Mr. Macquarrie: Since hope springs eternal, I have always a built-in solicitude for the other place.

Mr. Knowles: I suppose it is the same old story, but the Minister of Transport having said he could not allow the remarks I made to pass, I must return the compliment.

Mr. Monteith: It always happens.

An hon. Member: Some compliment.

Mr. Knowles: The Minister of Transport drew the attention of the house to the fact that debate on these supplementary estimates began on the 13th of March. That is correct. The inference was that this left plenty of time for them. May I remind him that between that date and the time when the house was expected to recess for Easter there remained only nine sitting days including the Thursday before Good Friday, but the government chose to have the house devote four of those days to discussion of the budget. I suggest it is this kind of thing that put us into the box we got into, and I think a little better planning another time would be a good idea.

Mr. Pickersgill: You can have the last word.

Clause agreed to.

Clauses 2 to 6 inclusive agreed to.

Preamble agreed to.

Schedule agreed to.

Title agreed to.

Bill reported.

Mr. Deputy Speaker: When shall the bill be read the third time? By unanimous consent, now?

Mr. Knowles: By leave.

Mr. McIlraith moved the third reading of the bill.

Motion agreed to and bill read the third time and passed.

BUSINESS OF THE HOUSE

Mr. Pickersgill: Mr. Speaker, it is not the intention of the government in the time remaining to proceed with the other item of business that was suggested for this evening, but since the house has been in such a good and co-operative mood I wonder whether with unanimous consent the house would like to pass the motion to set up the special committee on defence so that it could get to work at once.

Mr. Churchill: Mr. Speaker, the former house leader has reverted to his old and bad practices. I wonder whether he would announce to us the business for next week.

Mr. Pickersgill: I can announce, of course, what the government would like to do and I only hope that we will have the kind of co-operation we have had in the last hour in getting it done. I think it would not only impress ourselves but it might even impress the country. I suggest that on Monday and Tuesday we complete the budget debate, and I think the regular house leader will indicate on Monday evening what the further business will be.

Mr. Knowles: In view of previous announcements made by the regular house leader, can we not take it for granted that the next item will be the Canada pension plan?

Mr. Pickersgill: I would imagine that would be so, and I would hope that on Wednesday there will be more time for government business than there has been on some Wednesdays so far this session.

Mr. Deputy Speaker: Order. Shall I call it ten o'clock?

Some hon. Members: Agreed.

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

Supply—Items Passed

[The following items were passed in committee of supply this day]:

DEPARTMENT OF NORTHERN AFFAIRS AND NATIONAL RESOURCES

1e. Departmental administration—To extend the purposes of vote 1 of the main estimates, 1963-64, to authorize payment of a contribution to the Canadian council of resource ministers in an amount equal to one-half the aggregate contribution of the provinces but not exceeding $32,000 and to provide a further amount of, $53,000.

Water resources branch—

55e. Administration, operation and maintenance, $25,000.

Northern administration branch—

95e. Welfare and industrial divisions—Construction or acquisition of buildings, works, land and equipment, $57,000.

106e. Yukon Territory—Payments in accordance with terms and conditions approved by the governor in council during the 1963-64 and 1964-65 fiscal years in respect of expenditures incurred for the Dawson city festival, $225,000.

110e. Northwest territories and other field services—Operation and maintenance including grants and contributions as detailed in the estimates, $30,000.

POST OFFICE

5e. Operations, $79,800.

10e. Transportation—Movement of mail by land, air and water, including administration, $1,287,000.

PRIVY COUNCIL

Privy council office—

5e. General administration, $29,800.

Prime Minister's residence—

10e. Maintenance operation, $2,800.

Special—

39e. Expenses of commission under Part I of the the Inquiries Act to inquire and report upon certain prairie farm assistance administrative matters, $12,000.

41e. Expenses of the preparatory committee on collective bargaining in the public service, $42,400.

43e. Expenses of the royal commission on bilingualism and biculturalism, $275,850.

44e. Expenses of the royal commission on government organization, $11,200.

B—Economic council of Canada—

65e. Administration, $165,000.

Public printing and stationery—

10e. Distribution of official documents, $15,000.

DEPARTMENT OF PUBLIC WORKS

Public buildings construction and services—

Construction, acquisition, major repairs and improvements of, and plans and sites for, public buildings listed in the details of the estimates, including expenditures on works on other than federal property, but the amount within the vote to be expended on individually listed projects may be increased or decreased, subject to the approval of treasury board—

5e. Newfoundland, $1.

10e. Nova Scotia, $1.

20e. New Brunswick, $1.

35e. Ontario (other than Ottawa), $1.

75e. Maintenance and operation of public buildings and grounds—To extend the purposes of vote 75 of the main estimates for 1963-64 to include the W. Clifford Clark Memorial centre in Ottawa, $1.

Harbours and rivers engineering services—

Construction, acquisition, major repairs and improvements of, and plans and sites for, harbour and river works listed in the details of the estimates, including expenditures on works on other than federal property, but the amount within the vote to be expended on the individually listed projects may be increased or decreased, subject to the approval of treasury board—

90e. Newfoundland, $1.

95e. Nova Scotia, $1.

105e. New Brunswick, $1.

110e. Quebec, $1.

115e. Ontario, $1.

132e. Payment to Canadian Vickers Limited of a subsidy in respect of a dry dock in Montreal, Quebec, in accordance with the Dry Dock Subsidies Act (chapter 91, R.S.), as though it were a dry dock of the first class described by section 7 (a) of the act, $1.

Development engineering services—

169e. Payments in respect of winter maintenance of the Haines cut-off road, northwest highway system, $120,000.

Central Mortgage and Housing Corporation—

(Responsibility transferred to Minister of National Revenue)—

206e. To reimburse Central Mortgage and Housing Corporation pursuant to section 35 of the National Housing Act, 1954, for expenditures incurred during the period January 1, 1963 to December 31, 1963 for housing research and community planning as contemplated by Part V of the National Housing Act, 1954, $1,084,353.

207e. To reimburse Central Mortgage and Housing Corporation, pursuant to section 5(5) and section 24(b) of the Central Mortgage and Housing Corporation Act, for net losses resulting from the sale of mortgages from its portfolio during the calendar years 1962 and 1963, $966,265.

208e. To reimburse Central Mortgage and Housing Corporation for losses sustained by it during the calendar year 1963 as a result of the operation of federal-provincial projects undertaken under section 36 of the National Housing Act, 1954, $1,390,294.

209e. To reimburse Central Mortgage and Housing Corporation for amounts loaned under section 36H of the National Housing Act, 1954, to municipalities and municipal sewerage corporations, and forgiven by the corporation during the calendar year 1963, pursuant to section 36G of the act, $5,798,706.

DEPARTMENT OF TRADE AND COMMERCE

A—Department—

General administration—

1e. Departmental administration—To amend the terms of vote 1 of the main estimates for 1963-64 by substituting the expression "International coffee organization" for the expression "coffee study group", $1.

10e. Trade commissioner service—Construction or acquisition of buildings, land, equipment and furnishings, $54,000.

15e. Exhibitions branch, $30,000.

17e. Canadian government participation in the universal and international exhibition, Montreal,

1967—To amend vote 786 of the Appropriation Act No. 4, 1951 by deleting the words "to be called the Associate Deputy Minister of Trade and Commerce" and substituting the words "commissioner general for the Canadian government participation, 1967 exhibition", and to amend vote 692 of the Appropriation Act No. 5, 1958 by deleting the expression "$16,500" and substituting the expression "$23,000" therefor and to provide a further amount of, $50,000.

28e. Canadian government travel bureau, $90,000.

DEPARTMENT OF NORTHERN AFFAIRS AND NATIONAL RESOURCES

Loans, investments and advances—

Northern administration branch—

L35e. To increase to $800,000 the amount that may be charged at any one time to the Eskimo loan fund, established by vote 546 of the Appropriation Act No. 3, 1953, as amended; additional amount required, $200,000.

Northern Canada power commission—

L40e. 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, $1,427,000.

DEPARTMENT OF PUBLIC WORKS

Loans, investments and advances—

Central Mortgage and Housing Corporation—(Responsibility transferred to Minister of National Revenue)—

L51e. Advances charged to the special account in the consolidated revenue fund established by subsection (4) of section 36 of the National Housing Act, 1954, in respect of housing and land development projects, undertaken jointly with the governments of provinces during the calendar year 1963, $8,000,000.

L52e. Advances charged to the special account in the consolidated revenue fund established by subsection 2 of section 36H of the National Housing Act, 1954, in respect of loans to municipalities and municipal sewerage corporations, for construction or expansion of municipal sewage treatment projects during the calendar year 1963, $33,500,000.

DEPARTMENT OF TRADE AND COMMERCE

Loans, investments and advances—

L61e. To extend the purposes of the account mentioned in vote 481 of the Appropriation Act No. 5, 1959, to provide for working capital advances to departmental field offices in Canada as well as to posts and employees on posting abroad and to increase to $700,000 the amount that may be charged at any time to that special account; additional amount required, $350,000.

DEPARTMENT OF TRANSPORT

Loans, investments and advances—

Railway and steamship services—

L64e. Advances to the lakehead harbour commissioners, on terms and conditions approved by the governor in council, to defray the cost of construction of trackage and related work at the lakehead harbour, $500,000.

St. Lawrence seaway authority—

L75e. Loans to the St. Lawrence seaway authority in such manner and subject to such terms and conditions as the governor in council may approve, $13,000,000.

DEPARTMENT OF TRANSPORT

A—Department—

1e. Departmental administration, $70,000.

Marine services—

10e. Aids to navigation—Administration, operation and maintenance, $130,000.

35e. St. Lawrence and Saguenay rivers ship channels—Construction or acquisition of buildings, works, land and equipment, $2,768,000.

40e. Canadian coast guard—Administration, operation and maintenance, $700,000.

50e. Marine regulations including pilotage and marine reporting services—Administration, operation and maintenance, $20,000.

52e. Payments to the province of Newfoundland arising out of agreements between the province and the St. John's harbour and pilotage commission prior to the act of union, $8,500.

Railway and steamship services—

60e. Newfoundland coastal services—Construction or acquisition of passenger-cargo vessels and equipment and harbour facilities, $105,000.

65e. Construction or acquisition of auto-ferry vessels and equipment—To extend the purposes of vote 65 of the main estimates for 1963-64 to include the vessels detailed in these estimates, $1.

72e. Payment to the government of the province of Prince Edward Island in accordance with an agreement entered into with that government by the Minister of Transport, with the approval of the governor in council, providing for the demolition and removal by or on behalf of the province of the bridge over the Hillsborough river referred to in the said agreement, $4,900.

77e. Bell island-Portugal cove, Newfoundland, ferry service—Repairs and improvements to terminal facilities owned by Newfoundland, $8,000.

87e. Canadian National Railways deficit, 1963—Amount required to provide for payment to the Canadian National Railway Company (hereinafter called the national company) upon applications approved by the Minister of Transport, made by the national company to the Minister of Finance, and to be applied by the national company in payment of the system deficit (certified by the auditors of the national company) arising in the calendar year 1963, subject to recovery therefrom of accountable advances made to the national company from the consolidated revenue fund, $43,013,517.

100e. Maritime Freight Rates Act—Payment to the railway companies operating in the select territory designated by the act, of the difference occurring on account of the application of the act, between the tariff tolls and the normal tolls under approved tariffs (estimated and certified to the Minister of Transport by the Canadian National Railway Company and approved by auditors of the said company respecting the eastern lines of the Canadian National Railways and in the case of the other railways by the Board of Transport Commissioners for Canada) on all traffic moved during the calendar year 1963, $795,000.

107e. Payments to the Canadian National Railway Company, in accordance with an agreement entered into with the approval of the governor in council, providing for the termination of the collection of tolls on the Victoria jubilee bridge, Montreal, $390,000.

108e. Payment to the Canadian National Railway Company of interest on the amount of $11,752,504.37 being the cost and expenses of construction of the rail diversion on the Victoria jubilee bridge,

Montreal including modification of the alternative bridge to carry rail as well as highway traffic, pursuant to order in council P.C. 1963-572 of April 11, 1963. as amended by order in council P.C. 1963-1140 of July 3, 1963, estimated at $2,816,000.

Pensions and other benefits—

125e. Supplemental pension allowances to former employees of Newfoundland railways, steamships and telecommunications services transferred to Canadian National Railways, $13,500.

Air services—

Telecommunications and electronics branch—

193e. Payment of the difference between revenues and expenses arising from the operation and maintenance by the Canadian National Railway Company of the northwest communication system from Whitehorse to Mayo and Dawson city in the Yukon Territory via intermediate points; the amount not to exceed $95,000 per year for five years, $69,700.

General—

203e. Reimbursement of the Department of Transport stores account for the value of stores which have become obsolete, unserviceable, lost or destroyed, $129,900.

B—Air transport board—

205e. Salaries and other expenses—To extend the purposes of vote 205 of the main estimates for 1963-64 to include the expenses of the conference of aeronautical authorities held in Ottawa in July, 1963, $6,783.

207e. Subventions for air carriers as detailed in the estimates, $2,862.

C—Board of Transport Commissioners for Canada—

214e. Further payments in respect of the period from the 30th day of April, 1962, to the 31st day of March, 1963, to companies as defined in the Freight Rates Reduction Act in the same manner and subject to the same terms and conditions as payments made pursuant to that act in previous fiscal years, $14,800.

D—Canadian maritime commission—

220e. Steamship subventions for coastal services as detailed in the estimates, $929,171.

F—St. Lawrence seaway authority—

230e. Operating deficit and capital requirements of canals and works entrusted to the St. Lawrence seaway authority, $540,000.

DEPARTMENT OF SECRETARY OF STATE

A—Department—

1e. Departmental administration, $3,000.

5e. Companies and corporations branch, $7,100.

10e. Trade marks office, $5,000.

15e. Translation bureau, $31,400.

HOUSE OF COMMONS

Monday, April 13, 1964

The house met at 2.30 p.m.

PRIVILEGE

MR. SPEAKER—STATEMENT ON QUESTION BY MEMBER FOR JOLIETTE-L'ASSOMPTION-MONTCALM

Mr. Speaker: On Friday morning the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon) rose on a question of privilege respecting certain statements made by the hon. member for Carleton (Mr. Francis) the previous day. His declaration was to the effect that the hon. member had said about him things that were untrue or false. The words used in French were "des choses fausses". After quite a debate had taken place I said that I would examine the matter over the week end and give a decision on Monday; that is today.

There are evidently two questions which arise. The first and most important one is the question of privilege, and the second one is whether an expression used by the hon. member was unparliamentary. I will deal first with the latter, as it will soon be disposed of. The hon. member, speaking in French, stated:

[*Translation*]

The hon. member for Carleton (Mr. Francis) said some false things about me. He took advantage of my absence to do so.

[*Text*]

It was then I stated that the use of the term "false" is not parliamentary. I had not realized at that moment that the word "false" was applied to things said and not to the hon. member for Carleton. If one hon. member should say of another hon. member that he was a liar, or that he had affirmed something knowing that such a thing was untrue, this of course would be unparliamentary. However, this is not the same as saying that what a member says of another member is not true.

Having disposed of one part of the incident, I should perhaps take advantage of this occasion to deal with the question of privilege per se and I will try to do it in very general terms, in terms that will render my remarks applicable to this and to all other questions of privilege raised in this house.

There are still areas of the work of the Commons which are causing some difficulties in reference to procedure. This may be the understatement of the year. One of these areas relates to questions of privilege. More and more often members are rising to invoke so-called questions of privilege which could more properly be classified as mere interruptions, ordinary points of order, untimely grievances, disguised charges, contempts, or even simple disagreements with what is being said from the floor of the house.

Hon. members rose on questions of privilege over a hundred times during the previous session of parliament. As there were 117 sitting days from May 16 when the house met to December 21 when the house prorogued, this means that invoking privilege practically became, and has continued to be, a daily occurrence. I dare say that not 10 per cent, nay 5 per cent, were proper questions of privilege. Moreover, only three or four of these were followed by a motion which would have been the proper procedure to adopt in the circumstances.

As a sample of what I have stated, early Friday morning the hon. member rose twice on a question of privilege, the first time to the effect that it was his "duty to direct questions to the Prime Minister and to any member of the cabinet"; and he added "If I am out of order, Mr. Speaker, it is your responsibility to deal with the matter and I shall abide by your ruling, provided it is fair and reasonable". This last comment was perhaps unnecessary, and it was not a question of privilege in any event.

As may be seen if one takes the trouble to read citations 108 to 112 of Beauchesne's parliamentary rules, privilege is a very serious matter and therefore should not be abused. I might perhaps terminate the present statement by directing the attention of the house to one particular quotation from Beauchesne which is to be found at page 102, a quotation which should be read carefully by all members as it summarizes the situation clearly and without equivocation. This is the quotation:

113. Members often raise so-called "questions of privilege" on matters which should be dealt with as personal explanations or corrections, either in the debates or the proceedings of the house. A question of privilege ought rarely to come up in parliament. It should be dealt with by a motion giving the house power to impose a reparation or apply a remedy. There are privileges of the house as well as of members individually. Wilful disobedience to orders and rules of parliament in the exercise of its constitutional functions; insults and obstructions during debate are breaches of the

privileges of the house. Libels upon members and aspersions upon them in relation to parliament and interference of any kind with their official duties, are breaches of the privileges of the members. But a dispute arising between two members, as to allegations of facts, does not fulfil the conditions of parliamentary privilege. An attack in a newspaper article is not a breach of privilege, unless it comes within the definition of privileges above given, and then a member is bound to lay on the table the newspaper in which the article complained of appears—

MR. NIELSEN—REMARKS IN DEBATE BY MINISTER OF JUSTICE

Mr. Erik Nielsen (Yukon): Mr. Speaker, I rise on a question of personal privilege. I feel I must do so because I did give the house notice last Friday that I intended to raise this question.

The question is one which involves two separate factors, one concerning the translation from English to French, and second the translation from French to English as relayed by the translators in the translation booths. Most of the time these translators do an excellent service to the house, but in this particular debate last Thursday they did break down for a moment. I have not, of course, access to the blues in the *Hansard* office, but on page 1964 of *Hansard* for Thursday last, about half way down the right hand column, the Minister of Justice is reported as using these words:

I say that the hon. member for Yukon (Mr. Nielsen), who is perhaps the one who most bitterly criticized the attitude of the government in the house, has always intimated something which is false both in fact and in law.

Then a little further on in the same column he said:

I say that such statements are a hateful betrayal of the truth, of the facts and of the law.

I have checked with several of my colleagues on this side of the house, Mr. Speaker, and all confirm me in my recollection that the translation which came over the earphones in English was as follows:

I say that an hon. member of this house who has most bitterly attacked the government—

—and then followed the remainder of the text. So the English translation did not specifically name me at the time. Had that occurred, Mr. Speaker, I would have risen, probably at the stage where the minister used the words:

I say that such statements are a hateful betrayal of the truth—

—and so on. So the first point involved in this question of privilege is one of an English translation coming over the system possibly quite different from the words the minister actually used, or any other hon. member actually used. The other factor involved in the privilege is the words used themselves. Without having had the opportunity to study in detail the statement Your Honour made today, I have not come to a conclusion as to whether or not these words, in the context of your ruling, are parliamentary.

Hon. Guy Favreau (Minister of Justice): On a point of order, so long as the hon. member was referring to the fact that the translation of my words may not have been accurate, I was not personally concerned and I allowed the hon. member for Yukon to deal with his question of privilege. But I contend now that so long as he intends to raise a question of privilege, in my respect, of course that is ruled out by Your Honour's previous ruling. But even if it were not, so long as the hon. member purports to raise a question of privilege based on the utterances of any hon. member of the house, and in the present instance utterances by me, I say that Your Honour may not entertain any discussion except on the basis of the original text for which I must take responsibility, that is the text in which I made my remarks, the French text.

This is the only text that can be opposed to me. If the hon. member is ready to discuss the question on the basis of the French text itself and to say I may have used words which are not parliamentary, then I might be in a better position to answer him, but I say that on the basis of the translation he cannot confront me with the words in the translation.

Mr. Nielsen: I can clear up that question at the outset, on the point of order raised by the Minister of Justice. I have examined both texts and have consulted with some of my French speaking colleagues, and both texts in *Hansard* show that the minister did use words identifying me in his remarks. I do not question at all that any alterations have been made in *Hansard*. That was my original suspicion, but since both texts coincide I simply have to conclude that the mistake itself was made in the translation from the French to the English.

Now, to proceed with this second factor in the point of privilege I raised, as my authority for perhaps questioning the words used by the Minister of Justice I merely cite the Minister of Transport who, as recorded at page 1197 of Friday's *Hansard*, said:

—that when one hon. member undertakes to suggest that another hon. member has said something that is false, it is up to him to prove it was a false statement by real evidence, and not simply to use an unparliamentary word as a form of innuendo.

And I believe Your Honour, as recorded at the same page of *Hansard*, said that the term "false" was not parliamentary. This may have been changed in view of Your Honour's

ruling today, but without having studied it carefully I would not be in a position to venture an opinion. I merely draw to Your Honour's attention these words which the minister used as recorded at page 1964 of *Hansard* for Thursday last, April 9:

I say that the hon. member for Yukon (Mr. Nielsen)... has always intimated something which is false both in fact and in law—

I say that such statements are a hateful betrayal of the truth—

Mr. Favreau: On a point of order, I ask for a ruling on this point because surely no hon. member may be accused on the basis of a statement which he did not make. The only statement I made was a statement in French, and it is recorded at page 2065 of the French version of *Hansard* for April 9, 1964. I cannot be responsible for a translation which may or may not accurately reflect my thoughts.

Mr. Nielsen: Mr. Speaker—

Mr. Speaker: I would like to suggest to the hon. member that this presentation of his point of privilege is becoming almost an argument. I suggest to him that he state his point of privilege and then I will have a chance to examine the actual words, outside the house, and perhaps present a ruling tomorrow, thus saving the time of the house.

Mr. Nielsen: I thought I had already stated my question of privilege, namely the question I drew to Your Honour's attention concerning the translation itself and, second, the words used by the minister as they appear in the English translation of *Hansard* which I have read into the record. If, as the minister seems to be intimating, those words are not a correct translation or do not coincide with the French issue of *Hansard*—I think they do; I think they are the same in the French and English editions—then I think I am entitled to have the English edition changed so as to comply accurately with the French version if the minister did not use the words that appear in the English translation.

Mr. Speaker: I will take the matter into consideration.

EXTERNAL AFFAIRS

CYPRUS—TABLING OF DOCUMENT RESPECTING FUNCTIONS OF U.N. TROOPS

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I wish to table a document dealing with certain functions of the troops serving under the United Nations command in Cyprus.

Introduction of Bills

NATIONAL DEFENCE ACT

AMENDMENTS RESPECTING REPLACEMENT OF CHIEFS OF STAFF COMMITTEE

Hon. Lucien Cardin (for the Minister of National Defence) moved for leave to introduce Bill No. C-90, to amend the National Defence Act.

An hon. Member: Explain.

Mr. Cardin: Mr. Speaker, the purpose of this bill is to amend the National Defence Act in order to be able to implement the provisions in the white paper that have to do with the integration of the forces. The amendment provides for the replacement of the chairman of the chiefs of staff committee, the chief of the naval staff, the chief of the air staff and the chief of general staff, with an authority that would be charged with the functions, the duties and the powers of the people who are being replaced. This new authority would be the chief of the defence staff who would head a body to be known as the defence staff.

Motion agreed to and bill read the first time.

AERONAUTICS ACT

AMENDMENTS RESPECTING CHARGES FOR USE OF FACILITIES AND SERVICES, ETC.

Hon. J. W. Pickersgill (Minister of Transport) 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 Aeronautics Act to authorize the governor in council to make regulations prescribing charges for the use of any facility or service provided by or on behalf of the Minister of Transport for or in respect of aircraft or at an airport and to make such regulations as he deems necessary to impose upon the owners or operators wherever resident, of any aircraft, charges for the availability during any flights of such aircraft within or outside Canada of any facility or service provided by or on behalf of the minister; to provide also for the payment of certain expenses of witnesses attending before boards of inquiry established by the minister to investigate aircraft accidents; and to make certain other amendments for the better administration of the act.

Motion agreed to.

BANK ACT—QUEBEC SAVINGS BANKS ACT

EXTENSION FOR ONE YEAR OF AUTHORITY TO CARRY ON BUSINESS

Hon. Walter L. Gordon (Minister of Finance) moved that the house go into committee at the next sitting to consider the following resolution, which has been recommended to the house by His Excellency:

That it is expedient to introduce a measure to amend the Bank Act and the Quebec Savings Banks Act to extend by one year the authority to carry on business for the banks to which these acts apply.

Motion agreed to.

Mr. Churchill: On a point of order, Mr. Speaker, we are not really adopting these motions, are we? Are they not automatically transferred to the order paper?

Mr. Pickersgill: They have to be adopted.

Mr. Speaker: I would refer the hon. member to standing order 21, subsection 1.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

WASYLENCHUK CASE PROCEDURE

Question No. 34—**Mr. Orlikow:**

1. Did F.B.I. officers act as police officers in Canada in the Wasylenchuk case?
2. Did prison officials turn Wasylenchuk over to the F.B.I officers?
3. Was Wasylenchuk transferred from the prison to the U.S.A. by Canadian officers or by the F.B.I.?
4. Did prison officials refuse Wasylenchuk permission to call his lawyers after he was incarcerated and, if so, how long did this refusal continue, and how long was it before Wasylenchuk was permitted to contact his lawyers?

Mr. Favreau: 1. The extradition warrant, which was in the form prescribed by the Extradition Act, directed the keeper of Oakalla prison farm to deliver John Wasylenchuk into the custody of Dean G. Rolston and Alfred G. Gunn and commanded the said Dean G. Rolston and Alfred G. Gunn to convey John Wasylenchuk to the United States. In accordance with the practice Dean G. Rolston and Alfred G. Gunn were designated for this purpose by the United States authorities. They are agents of the federal bureau of investigation.

2. Yes.

3. Wasylenchuk was transferred from the prison to the United States by the F.B.I. agents abovementioned who were accompanied by members of the R.C.M. Police.

4. Prison officials at Oakalla prison farm, which is a provincial institution, have informed the R.C.M. Police that John Wasylenchuk was held at the Oakalla prison farm from October 18 to December 18, 1963, awaiting his extradition, upon which latter date he was delivered to the F.B.I. agents, as above described, and that during this time he received approximately 20 visits from relatives, friends, parole officers, members of the John Howard society and a priest.

[Mr. Gordon.]

CONSTRUCTION OF PENAL INSTITUTION, SPRINGHILL, N.S.

Question No. 53—**Mr. Coates:**

1. When will construction commence on the young offenders, medium security penal institution to be located at Springhill, Nova Scotia?
2. What is the estimated date for completion of this project?
3. Who was the successful tenderer for high temperature water generators and auxiliary equipment associated with this project, what was the amount of the contract, who were the unsuccessful bidders and what prices did they submit?
4. What is the estimated number of man-hours involved in the construction of the institution?
5. What is the estimated number of employees who will staff the institution on its completion and what is the estimated annual payroll?

Mr. Lamontagne: 1. It is expected that tenders can be called and a contract award will be made to allow construction to start in the summer of 1964.

2. The contemplated date for completion is the fall of 1965.

3. The successful tenderer for the high temperature water generators and auxiliary equipment was Dominion Bridge of Montreal at $221,930. Other bidders were Canadian Vickers Limited, Montreal, Quebec, $228,310; Foster Wheeler Ltd., St. Catharines, Ontario, $229,519.

4. It is estimated that 500,000 man hours will be expended in construction of the institution.

5. One hundred and seventy employees. Annual payroll of $800,000.

PARKING ON PARLIAMENT HILL

Question No. 296—**Mr. Bell:**

1. How many spaces are allocated for parking of motor vehicles on parliament hill?
2. Of these, how many are allocated to (a) members of parliament (b) senators (c) the press gallery (d) the diplomatic corps (e) officials and/or employees of the parliament of Canada (f) officials and/or employees of the government of Canada or agency thereof except the parliament of Canada (g) tourists (h) others (defining specifically who such others may be)?
3. Of those allocated to officials and/or employees of the government of Canada, how many are allocated to each department of government or agency?
4. Of the officials and/or employees entitled to parking space as indicated in the answer to question 3, how many from each department or agency are (a) occupied or employed in a building located on parliament hill (b) occupied or employed in a building not located on parliament hill?
5. Upon what basis or principle are parking spaces on parliament hill allocated (a) to those occupied or employed in a building located on parliament hill (b) occupied or employed in a building not located on parliament hill?
6. Since April 22, 1963, have any meetings or conferences been held to consider the problem of parking of motor vehicles in such positions on parliament hill as detract from the beauty and dignity of the parliament buildings and, if so, who called such meetings or conferences, who attended them and with what result?

Mr. Deschatelets: 1. As of March 5, 1964, 672.

2. (a) As advised by the Sergeant-at-Arms, 100; (b) as advised by the Gentleman Usher of the Black Rod, 18; (c) 41; (d) 10; (e) as advised by the Sergeant-at-Arms and the Gentleman Usher of the Black Rod, 228; (f) 240; (g) visitors' parking (tourist) during the summer tourist parking is increased to 110 spaces; (e) and (f) being reduced accordingly 35; (h) nil.

3. The Prime Minister's office and the privy council, 35; the Department of Public Works, 6; the Department of Secretary of State, 29; the Royal Canadian Mounted Police, 6; the Department of Northern Affairs and National Resources, 34; the Canadian Broadcasting Corporation, 16; the Department of External Affairs, 54; the Department of Transport, 12; the Canada council, 3; national harbours board, 6; external aid office, 2; the Department of Finance (treasury), 4; Canadian maritime commission, 5; the Department of Forestry, 4; deputy ministers, senior officials, crown owned vehicles, tradesmen, etc., who must visit parliament hill from time to time on official business, 24.

4. (a) The Prime Minister's office and the Privy Council, 109; the Department of Public Works, 13; the Royal Canadian Mounted Police, 10; the Department of External Affairs, 70; the Department of Finance (treasury) 6.

(b) The Department of Secretary of State, 40; the Department of Northern Affairs and National Resources, 73; the Canadian Broadcasting Corporation, 52; the Department of Transport, 44; the Canada council, 5; national harbours board, 29; external aid office, 3; the Canadian maritime commission, 9; the Department of Forestry, 16.

Note: The Department of Public Works has issued 365 permits, against the 24 spaces mentioned in 3 above, to those who visit parliament hill from time to time on official business.

5. (a) Parking is allocated in the following sequence: (i) crown owned vehicles; (ii) senior officials and disabled persons; (iii) privately owned vehicles used on government business; (iv) persons residing beyond a circle ascribed from the place of employment and having a two mile radius; (v) all others, if space is still available.

(b) Same as above with the exception that this basis is not applicable to visitors, tourists, or others on business.

6. Since April 22, 1963, planning conferences of a technical nature have taken place at departmental level as a result of which plans and specifications are being prepared for a parking garage which will allow removal of vehicles from parliament hill.

Questions

TRANSPORT DEPARTMENT HELICOPTER, PRINCE RUPERT, B.C.

Question No. 302—**Mr. Howard:**

1. Does the Department of Transport have a helicopter stationed at Prince Rupert and, if so, what are its specifications and when was it stationed there?
2. To date what has been the cost of (a) wages (b) repairs (c) maintenance, and (d) fuel for the said helicopter?
3. For what purpose is the helicopter used?
4. What is its fuel capacity?
5. What is its (a) speed, and (b) fuel consumption related to (i) one person (ii) two persons (iii) three persons (iv) four persons, and (v) five persons and, to its load carrying capacity in units of 1,000 pounds?
6. What is its range of operation on a full load of fuel, expressed in miles?
7. How many lighthouses are situated on the west coast of Canada between the 52° parallel of latitude, including cape St. James and the northern international boundary and what is the location of each such lighthouse and its distance in miles from Prince Rupert, B.C.?
8. Upon what dates did the said helicopter visit each of the said lighthouses?
9. Has any study and examination been made of the efficacy or otherwise of the said helicopter and, if so, what are the detailed results of that study and, if such a study has not been made, is any planned?

Mr. Pickersgill: 1. Yes, a Sikorsky S62A. This helicopter is a turbine powered amphibious machine, equipped with a rescue hoist and cargo sling. It is fully capable of carrying stretcher cases internally. The helicopter arrived at Prince Rupert on May 18, 1962.

2. (a) Mechanics, $25,129.97; pilots, $33,-440; (b) approximately, $47,960.18; (c) $41,-903.85; (d) $11,333 (40,475 gallons at 28 cents per gallon).

3. The helicopter is employed on marine agency duties which include: (a) limited supply of lighthouses; (b) personnel transportation; (c) evacuation of sick or injured; (d) servicing unwatched lights; (e) limited search and rescue.

4. Its total fuel capacity is 272 imperial gallons.

5. (a) Normal cruise speed is 90 knots with an average consumption of 50 imperial gallons per hour (b) there is no appreciable difference in speed or fuel consumption with varying loads.

6. With a full load of fuel the helicopter has the ability to travel a distance of 450 nautical miles in still air.

7. There are 13 lighthouses on the west coast of Canada between 52° parallel of latitude, including cape St. James and the international boundary. The location of each of these lighthouses and its distance in nautical miles from Prince Rupert, B.C. are given in the table below:

Questions

Name	Location	Distance
Pointer Island	52-03-41 127-56-47	160
Dryad Point	52-11-08 128-06-36	150
Ivory Island	52-16-11 128-24-18	141
McInnes Island	52-15-42 128-43-13	137
Boat Bluff	52-38-36 128-31-21	121
Lawyer Islands	54-06-47 130-20-32	13
Barret Rock	54-14-35 130-20-33	6
Lucy Island	54-17-46 130-36-25	10
Green Island	54-34-06 130-42-24	20
Bonilla Island	53-29-34 130-38-08	50
Triple Island	54-17-36 130-52-40	20
Cape St. James	51-56-10 131-00-52	145
Langara Point	54-15-20 133-03-27	99

8. Each of the lighthouses listed in part 7 were visited on the dates listed below, except Barret Rock which being 6 miles from Prince Rupert was not visited by helicopter:

Pointer Island: 20-6-62, 25-7-62, 10-8-62, 14-8-62, 14-8-62, 20-9-62, 28-9-62, 21-10-62, 25-10-62, 16-11-62, 16-11-62, 6-12-62, 17-12-62, 21-3-63, 3-4-63, 6-6-63, 24-7-63, 26-7-63, 26-7-63, 23-8-63, 23-8-63, 26-8-63, 17-9-63, 23-9-63, 2-10-63, 7-10-63, 9-10-63, 3-12-63, 4-12-63, 9-12-63, 19-12-63, 20-12-63, 4-3-64, 5-3-64.

Dryad Point: 31-5-62, 31-5-62, 20-6-62, 20-6-62, 25-6-62, 28-6-62, 28-6-62, 29-6-62, 4-7-62, 4-7-62, 16-7-62, 25-7-62, 27-7-62, 27-7-62, 10-8-62, 10-8-62, 14-8-62, 14-8-62, 20-9-62, 26-9-62, 27-9-62, 28-9-62, 28-9-62, 18-10-62, 21-10-62, 22-10-62, 22-10-62, 7-11-62, 16-11-62, 16-11-62, 14-12-62, 17-12-62, 17-12-62, 31-12-62, 31-12-62, 17-1-63, 17-1-63, 23-1-63, 14-3-63, 21-3-63, 3-4-63, 10-4-63, 11-4-63, 11-4-63, 17-4-63, 6-6-63, 6-6-63, 20-6-63, 20-6-63, 24-7-63, 26-7-63, 26-7-63, 23-8-63, 23-8-63, 23-8-63, 26-8-63, 26-8-63, 4-9-63, 4-9-63, 17-9-63, 23-9-63, 2-10-63, 2-10-63, 7-10-63, 9-10-63, 19-11-63, 19-11-63, 20-11-63, 3-12-63, 4-12-63, 9-12-63, 19-12-63, 19-12-63, 20-12-63, 27-12-63, 27-12-63, 25-2-64, 4-3-64, 5-3-64.

Ivory Island: 20-6-62, 25-6-62, 10-8-62, 20-9-62, 32-10-62, 25-10-62, 14-12-62, 14-12-62, 17-12-62, 3-4-63, 4-4-63, 11-4-63, 17-4-63, 6-6-63, 24-7-3, 24-7-3, 26-7-63, 14-8-63, 23-8-63, 23-8-63, 23-8-63, 26-8-63, 29-8-63, 2-9-63, 4-9-63, 2-10-63, 7-10-63, 9-10-63, 19-11-63, 4-12-63, 19-12-63, 27-12-63, 5-3-64.

[Mr. Pickersgill.]

McInnes Island; 31-5-62, 20-6-62, 20-6-62, 25-6-62, 25-6-62, 28-6-62, 29-6-62, 29-6-62, 4-7-62, 4-7-62, 16-7-62, 16-7-62, 16-7-62, 17-7-62, 10-8-62, 10-8-62, 10-8-62, 19-10-62, 8-11-62, 3-12-62, 17-12-62, 17-1-63, 3-4-63, 11-4-63, 6-6-63, 6-6-63, 11-6-63, 21-6-63, 26-7-63, 12-8-63, 14-8-63, 23-8-63, 2-9-63, 4-9-63, 16-9-63, 17-9-63, 20-9-63, 7-10-63, 19-11-63, 20-11-63, 19-12-63, 25-2-64, 4-3-64, 5-3-64.

Boat Bluff; 27-7-62, 27-7-62, 28-9-62, 7-11-62, 17-12-62, 4-4-63, 11-4-63, 17-4-63, 5-6-63, 6-6-63, 23-7-63, 24-7-63, 23-8-63, 26-8-63, 29-8-63, 2-9-63, 4-9-63, 17-9-63, 23-9-63, 7-10-63, 9-10-63, 3-12-63, 9-12-63, 19-12-63, 20-12-63.

Lawyer Island; 5-6-62, 15-11-62, 7-12-62, 14-12-62, 8-4-63, 8-4-63, 11-4-63, 26-6-63, 26-6-63, 8-8-63, 8-8-63, 19-8-63, 19-8-63, 21-8-63, 21-8-63, 21-8-63, 30-8-63, 23-12-63.

Barret Rock; none.

Lucy Island: 5-6-62, 4-7-62, 4-7-62, 2-8-62, 2-8-62, 2-8-62, 3-8-62, 15-11-62, 13-12-62, 13-12-62, 15-1-63, 15-1-63, 27-3-63, 8-4-63, 8-4-63, 23-4-63, 7-5-63, 7-5-63, 30-5-63, 23-6-63, 26-6-63, 16-7-63, 8-8-63, 8-8-63, 8-8-63, 12-8-63, 20-8-63, 22-8-63, 28-8-63, 16-9-63, 18-9-63, 21-9-63, 8-11-63, 12-11-63, 6-12-63, 7-12-63, 28-12-63, 24-2-64.

Green Island: 5-6-62, 3-8-62, 16-8-62, 26-9-62, 28-9-62, 15-11-62, 5-12-62, 12-12-62, 27-12-62, 28-3-63, 8-4-63, 8-4-63, 3-6-63, 3-6-63, 4-6-63, 5-6-63, 20-6-63, 23-6-63, 25-6-63, 26-6-63, 17-7-63, 25-7-63, 8-8-63, 20-8-63, 21-8-63, 22-8-63, 6-12-63, 10-12-63, 23-12-63, 31-12-63, 24-2-64, 6-3-64.

Bonilla Island: 23-5-62, 17-7-62, 25-7-62, 27-7-62, 15-10-62, 16-3-63, 1-4-63, 4-4-63, 11-4-63, 25-5-63, 29-5-63, 30-5-63, 31-5-63, 11-6-63, 11-6-63, 19-6-63, 19-6-63, 23-6-63, 16-7-63, 17-7-63, 22-7-63, 23-7-63, 26-7-63, 27-7-63, 30-7-63, 9-8-63, 9-8-63, 19-8-63, 23-8-63, 26-8-63, 16-9-63, 20-9-63, 27-9-63, 3-10-63, 20-12-63, 25-2-64, 1-3-64, 1-3-64, 3-3-64, 6-3-64.

Triple Island: 5-6-62, 28-9-62, 15-10-62, 18-10-62, 5-11-62, 5-12-62, 11-12-62, 5-1-63, 2-4-63, 8-4-63, 8-4-63, 4-5-63, 7-5-63, 5-6-63, 10-6-63, 17-6-63, 23-6-63, 2-7-63, 18-7-63, 25-7-63, 8-8-63, 13-8-63, 19-8-63, 21-863, 21-8-63, 22-8-63, 30-8-63, 30-8-63, 21-9-63, 30-9-63, 9-12-63, 23-12-63, 6-3-64, 6-3-64.

Cape St. James: 26-6-62, 26-6-62, 26-10-62, 26-10-62, 15-1-63, 16-1-63, 22-4-63, 9-6-63, 24-6-63, 27-6-63, 9-8-63, 15-8-63, 13-11-63, 12-12-63, 26-2-64, 1-3-64.

Langara Point: 22-5-62, 1-6-62, 3-7-62, 26-7-62, 13-11-62, 14-11-62, 6-12-62, 12-12-62, 16-3-63, 29-3-63, 16-4-63, 23-5-63, 23-5-63, 24-5-63, 18-6-63, 29-6-63, 2-7-63, 18-7-63, 10-8-63, 15-8-63, 9-9-63, 18-9-63, 7-11-63, 11-11-63, 14-11-63, 29-11-63, 17-12-63, 27-3-64.

9. The Department of Transport continually studies all phases of its helicopter operation, with emphasis on new equipment, in order to ensure that current responsibilities and commitments are completed in a safe and efficient manner, as economically as possible.

HOLDERS OF GOVERNMENT BONDS

Question No. 304—**Mr. Caouette:**

What is the amount of Canadian government bonds at present in the hands of (a) chartered banks (b) insurance companies (c) trust companies (d) industrial and commercial concerns (e) individuals (f) foreign companies or foreigners (g) others?

[*Translation*]

Mr. Benson: The following are the amounts, at the most recent date for which the data are available, of government of Canada bonds held by:

(a) $2,690 million at Jan. 29, 1964.
(b) $1,166 million at Dec. 31, 1963.
(c) $290 million at Sept. 30, 1963.
(d) Not available.
(e) Not available.
(f) $941 million (including treasury bills) at Dec. 31, 1962.
(g) Not available.

[*Text*]

PUBLIC WORKS EXPENDITURES, CHARLEVOIX COUNTY, QUE.

Question No. 430—**Mr. Belanger:**

1. How much money was spent by the Department of Public Works on the following works in Charlevoix county, during the fiscal years of 1961 62, 1962-63, and 1963-64 on the construction of, and repairs to, post offices?
2. Where were these works carried out?
3. How much money did the Department of Public Works spend on wharf construction, repairs and improvements?
4. Where were these works carried out?

Answer: 1. 1961-62, $15,360; 1962-63, $10,949; 1963-64, $8,533 (at January 31, 1964).

2. 1961-62, Baie-Saint-Paul; Beaupre; Clermont; La Malbaie; Pointe-au-Pic; Sainte-Anne-de-Beaupre.

1962-63, Baie-Saint-Paul; Clermont; La Malbaie; Les Eboulements; Pointe-au-Pic; Sainte-Anne-de-Beaupre.

1963-64, (at January 31, 1964)—Baie-Saint-Paul; Clermont; La Malbaie; Pointe-au-Pic; Sainte-Anne-de-Beaupre.

3. 1961-62, $145,056.93; 1962-63, $597,856.78; 1963-64, $467,215.90.

4. 1961-62, Baie-Sainte-Catherine (Anse-au-Portage); Ile-aux-Coudres; Les Eboulements; Pointe-au-Pic; Sainte-Anne-de-Beaupre; Saint-Irenee; Saint-Simeon.

1962-63, Baie-Sainte-Catherine (Anse-au-Portage); Chateau-Richer; Ile-aux-Coudres; La Petite-Riviere-Saint-Francois; Les Eboulements; Pointe-au-Pic; Sainte-Anne-de-Beaupre; Saint-Simeon.

1963-64, Baie Sainte-Catherine; Baie-Sainte-Catherine (Anse-au-Portage); Cap-a-l'Aigle; Ile-aux-Coudres; Les Eboulements; La Petite-Riviere-Saint-Francois; Pointe-au-Pic; Sainte-Anne-de-Beaupre; Saint-Irenee; Saint-Simeon.

CANADIAN CENTENNIAL—ISSUE OF GOLD COINS

Question No. 449—**Mr. Howard:**

Does the government have any plans to issue gold coinage during 1967 to commemorate Canada's centenary?

Mr. Benson: While suggestions for the issue of gold coinage during 1967 to commemorate Canada's centenary are under study, no plans have been made for such an issue.

STATION CJBC, TORONTO—NUMBER OF LISTENERS

Question No. 468—**Mr. Stenson:**

1. What is the percentage of householders listening to station CJBC Toronto in metro Kitchener —area No. 989, Waterloo county—area No. 990, Oxford county—area No. 1000, Perth county—area No. 1080, Wellington county—area No. 1110, Bruce county—area No. 1120 and Grey county—area No. 1130?
2. What is the French speaking population in these same areas?

Mr. Lamontagne: I am informed by the Canadian Broadcasting Corporation as follows:

1.

Area	County	Percentage of households tuned to CJBC once or more times during survey week
989	Metro Kitchener	16
990	Waterloo	25
1000	Oxford	11
1080	Perth	10
1110	Wellington	32
1120	Bruce	11
1130	Grey	24

2. June 1, 1961

Area No.	Area Description	Population Able to Speak the French Language*
989	Metro Kitchener	4,227
990	Waterloo county (bal.)	216
1000	Oxford county	1,184
1080	Perth county	619
1110	Wellington county (bal.)	628
1120	Bruce county	278
1130	Grey county	475
	Total	7,627

*Based on official language—French only plus bilingual.

Questions

*QUEBEC PROJECTS TO RELIEVE UNEMPLOYMENT

Question No. 510—**Mr. Ricard:**

What new projects does the government intend to carry out in order to eliminate unemployment in the province of Quebec particularly?

Mr. Byrne: The government has developed and introduced a number of programs designed to strengthen the economy generally and to bring about an adequate growth in employment. The effectiveness of these programs can be seen from the fact that employment in the past five months has averaged some 270,000 higher than in the corresponding period of the year before and is over 90,000 higher in Quebec. Unemployment has averaged about 60,000 lower for Canada and about 20,000 lower in Quebec. The government has strengthened employment in the winter months which has resulted in seasonal unemployment being significantly lower this winter than in previous winters through the winter house building program and an expanded municipal winter works incentive program. New programs, as they are developed for dealing with unemployment, will be announced to parliament in the usual way.

*INCOME TAX EXEMPTION FOR GRADUATE STUDENTS

Question No. 522—**Mr. Slogan:**

1. Are professional or technical graduates who attend refresher or postgraduate courses now entitled to income tax deductions for their tuition fees?

2. Is this exemption restricted to tuition fees or are all costs, such as the cost of books, instruments, travelling and living expenses included?

Mr. Benson: 1. Tuition fees paid for refresher or postgraduate courses are not deductible under existing law unless they qualify under section 11(1) (qb) of the Income Tax Act which requires that the student be a full-time student and that the fees be paid in respect of a course of at least 13 consecutive weeks duration.

Paragraph 1 of the income tax resolution tabled following the budget speech proposes that the right to deduct tuition fees be extended to include fees paid by part-time students to educational institutions described in the resolution.

2. The deduction now granted by section 11(1) (qb) of the Income Tax Act applies only to tuition fees. The proposal to extend this deduction also applies only to tuition fees.

DISPOSITION OF RADAR STATION EQUIPMENT, ST. SYLVESTRE, QUE.

Question No. 527—**Mr. Caouette:**

As a result of the decision to close the radar station at St. Sylvestre in Lotbiniere county, what does the government intend to do with the buildings, equipment, and other material on the site?

[*Translation*]

Answer: As far as the Department of National Defence is concerned, most of the R.C.A.F. station at St. Sylvestre will be declared surplus at the end of 1964 or the beginning of 1965 and only the part directly affected by maintenance of the telecommunication system will be kept.

[*Text*]

WINTER WORKS PROGRAM, BRUCE COUNTY, ONT.

Question No. 532—**Mr. Loney:**

1. How many applications were received under the municipal winter works incentive program 1963-64 from the county of Bruce?

2. How many of the applications were approved?

3. What are the names of the municipalities where applications were approved?

4. In each case, what was the winter works program undertaken?

Mr. MacEachen: 1. Ten applications were received under the municipal winter works incentive program 1963-64 from municipalities in the county of Bruce.

2. The ten applications received were approved.

3 and 4.

Municipality	Project No.	Description of Work
Chippawa	Ont. 798	Installation of storm drainage system
Kincardine	Ont. 277	Installation of sanitary sewers
Port Elgin	Ont. 1264	Installation of water mains
Port Elgin	Ont. 1265	Installation of water mains
Ripley	Ont. 901	Improvements to community arena
Teeswater	Ont. 954	Construction of senior citizens unit
Teeswater	Ont. 955	Construction of arena floor
Whitchurch	Ont. 1037	Installation of water supply system
Wiarton	Ont. 928	Installation of sanitary sewers
Wiarton	Ont. 1134	Construction of fire hall

*SOCIAL INSURANCE APPLICATION CARDS

Question No. 534—**Mr. Hales:**

1. How many application cards for social insurance numbers were ordered and what was the total cost?

2. Were tenders called for these and, if so, (a) how many tenders were received (b) was the lowest tender accepted?

3. Does the company which received the order have an agreement with its employees through a recognized Canadian union?

4. What is the approximate cost of distribution to working Canadians including express, postage, envelopes, etc.?

Mr. Stewart: 1. Ten million application cards were ordered at a cost of $7,437 for printing and $37,266.77 for paper.

2. For printing: Yes (a) 11 (b) yes.

For paper: Tenders were not called. The specifications for the paper required could be met by only one mill. The first of many requisites was the necessity for rag content and the company awarded the contract was the only manufacturer of rag bristol. Experiments by this mill have also produced a chemical additive which provides the extended life expectancy required for the stock.

The cost of the paper compares favourably with existing prices for other similar goods.

3. Yes.

4. The cost of the distribution of the application cards is not known at this time since the distribution has not yet been completed. For budget purposes an allowance of $200,000 was made for the total distribution costs to the unemployment insurance commission for all supplies associated with the registration, exclusive of costs for staff time. This included not only the cost of distribution of application cards, but also letters to employers, social insurance number cards and unemployment insurance books. It is not possible to estimate at this time the part of the total distribution cost that application card distribution represents.

*SALARY PAID MINISTER OF FORESTRY

Question No. 536—**Mr. Pigeon:**

What amount has the present Minister of Forestry received in salary from public funds since he was sworn in as a member of the cabinet?

Mr. Benson: The Minister of Forestry has received the statutory salary of a minister of the crown since February 3, 1964.

INCOME TAX EXEMPTIONS FOR VOLUNTEER FIREMEN

Question No. 540—**Mr. Muir (Cape Breton North and Victoria):**

Is consideration being given to allowing all volunteer firemen to claim an exemption of $300 for income tax purposes in place of the present exemption based only on the actual cash received by way of honorarium by such volunteer firemen?

Mr. Benson: No.

INDUSTRIES ESTABLISHED IN DESIGNATED AREAS, N.S.

Question No. 542—**Mr. Muir (Cape Breton North and Victoria):**

Up to the present date, how many industries have been established as a result of the incentives provided by the government, in the designated areas of the province of Nova Scotia, and what are the names of the companies concerned, type of industry, and where have they been established?

Mr. Drury: To date three new businesses are in the process of being established in Nova Scotia with the declared intention of benefiting from the designated area tax incentives program. Any announcement of a firm's intentions regarding location, type of business and planned employment is made by the firm itself. Premature disclosure by the government could affect adversely the establishment of a new business.

MUNICIPAL LOAN FUND APPLICATIONS, MARITIME PROVINCES

Question No. 546—**Mr. Muir (Cape Breton North and Victoria):**

How many applications have been received and approved under the municipal loan fund up to the present time in the provinces of (a) New Brunswick (b) Prince Edward Island, and (c) Newfoundland?

Mr. Benson: The number of applications received and approved to March 24 from these provinces is as follows:

Province	Number of Applications Received	Number of Loans Approved
(a) New Brunswick	13	11
(b) Prince Edward Island	2	2
(c) Newfoundland	13	3

C.N.R. AUTOMOBILE LOADING COMPOUND, SYDNEY, N.S.

Question No. 551—**Mr. Muir (Cape Breton North and Victoria):**

Has a decision been reached by the Canadian National Railways in the matter of setting up a compound in the Sydney-North Sydney area for the handling of automobiles arriving on railway tri-level equipment for Cape Breton and Newfoundland and, if so, what is the nature of this decision?

Mr. Pickersgill: The management of Canadian National Railways advises that it is not the intention to establish a compound at this time.

POST OFFICE, REDNERSVILLE, ONT.

Question No. 557—**Mr. Alkenbrack:**

Did the Postmaster General, during November last, agree to open a post office in the village of Rednersville, Ontario, and, if so, when will such a post office be opened?

Mr. Nicholson: Yes. It was decided at that time that a post office closed in 1961 should be reopened at Rednersville, Ontario, in accordance with what the Postmaster General understood to be the wishes of the great

majority of patrons residing within a half a mile radius of the proposed site. At that time the Postmaster General had been given to understand that the patrons concerned generally were agreeable to giving up service through rural mail boxes and receiving their mail through the proposed post office.

However, a conflicting petition was received on the 31st day of January 1964, and it was deemed advisable to resurvey the area. A further canvass has now been completed and as a result 33 of the patrons have expressed a preference for service through the proposed office, and 32 are against such a move.

This canvass revealed that generally those persons residing within a quarter of a mile of the proposed site for the post office are in favour and those who reside further than a quarter of a mile are against the establishment of such a post office, if such action involves termination of the rural mail delivery service now being provided.

When a situation such as this occurs, it is the normal policy of the Post Office Department not to make any change in the existing arrangements because of the resulting adverse effect on the community as a whole. In the circumstances, and since the patrons of the area are being adequately provided with rural mail delivery service, it has been decided not to proceed with the establishment of an office at Rednersville.

INDUSTRIAL DEVELOPMENT BANK LOANS, BEAUCE COUNTY, QUE.

Question No. 559—**Mr. Perron:**

1. How many loans were made by the industrial development bank in the county of Beauce during 1961, 1962 and 1963?
2. What was the amount of each of these loans?
3. To whom were these loans made?
4. Were any requests for loans refused and, if so, to whom were the refusals made, and what amounts were involved?

[*Translation*]

Answer: 1, 2, 3 and 4. The information requested is not available. Loan approvals are classified by provinces on pages 14 and 15 of the last annual report of the industrial development bank and by types of businesses on pages 16 and 17 of that report.

[*Text*]

ADVERTISING REVENUE, STATION CJBC, TORONTO

Question No. 563—**Mr. Cowan:**

What was the division of the advertising revenue of radio station CJBC, Toronto, in the month of February, 1964, between advertising in the French language and advertising in the English language?

Mr. Lamontagne: I am advised by the Canadian Broadcasting Corporation that all advertising revenue of station CJBC for the month of February, 1964 was from advertising in the English language.

[Mr. Nicholson.]

SMALL BUSINESSES LOANS, BEAUCE COUNTY, QUE.

Question No. 566—**Mr. Perron:**

1. How many loans were made by the small businesses loan fund in the county of Beauce during 1961, 1962 and 1963?
2. What was the amount of each of these loans?
3. To whom were these loans made?
4. Were any requests for loans refused and, if so, to whom were the refusals made, and what amounts were involved?

[*Translation*]

Mr. Benson: 1 and 2. Statistics on regional distribution of loans made by the chartered banks under the Small Businesses Loans Act are available by provinces but not by counties.

3. The identity of individuals to whom loans are made by the chartered banks is confidential.

4. The banks do not provide information concerning loan applications which have been refused.

[*Text*]

HONOURS TO COMMANDER OF R.C.M.P. VESSEL "ST. ROCH"

Question No. 568—**Mr. Basford:**

1. What honours, medals, or titles have been conferred by the government of Canada on Captain Henry Larsen, who commanded the R.C.M. Police vessel, *St. Roch* on its historic voyages of circumnavigation of the North American continent in both directions?
2. In the arrangements now being completed by the city of Vancouver and the Department of Northern Affairs and National Resources for the proper housing and restoration of the R.C.M. Police vessel *St. Roch*, are any funds made available so that Captain Henry Larsen can be invited to and honoured at the opening ceremonies of the restored *St. Roch*?

Mr. Lamontagne: 1. Polar medal, 1943; bar to Polar medal, 1946.

2. No, since under the contemplated arrangement any such ceremony would presumably be organized by the civic authorities who would undoubtedly recognize Captain Henry Larsen's famous association with this vessel.

M.M.R.A. VEHICLES, CUMBERLAND, N.S.—TENDER FOR SALES AND SERVICE

Question No. 571—**Mr. Coates:**

1. What firms in Cumberland are invited to tender for the sale of motor vehicles to the M.M.R.A. and what dealerships do they represent?
2. What firms in Cumberland are invited to tender on the overhaul and repair of motor vehicles owned by the M.M.R.A.?
3. From what firms in Cumberland does the M.M.R.A. purchase oil and gasoline?
4. Are any firms in Cumberland excluded from the opportunity to tender on the replacement of motor vehicles, repair and overhaul of motor vehicles, and on the sales of oil and gasoline for the M.M.R.A. and, if so, what firms?

Answer: 1. Those firms which sell motor vehicles having the specifications required. The last tender call for vehicles was in November 1963 and the following firms were invited to tender:

Cameron and Wilson, Amherst, N.S., Chrysler products. Cumberland Equipment Ltd. Amherst, N.S., Pontiac and G.M.C. trucks. Tantramar Motors Ltd. Amherst N.S., Chevrolet and G.M.C. trucks. Rivers and Dickinson Ltd., Amherst, N.S., International. D. A. Casey Ltd., Amherst, N.S., Ford and Ford trucks. Claude W. Carter, Springhill, N.S., Mercury, Meteor and Mercury trucks.

2. For overhaul and costly repairs, the firm which supplied the vehicle, and other garages including the above, known to be competent.

3. Bulk gasoline purchases made principally from the Irving Oil Company Ltd. Bulk oil purchases from British American, Imperial and Texaco Oil Companies. All drivers are provided with credit cards honoured by dealers for all major oil companies, and they use their discretion in making purchases. A conscious effort is made to divide the business.

4. No.

INDUSTRIES ESTABLISHED IN DESIGNATED AREAS

Question No. 584—**Mr. Howe (Wellington-Huron):**

1. How many new industries, by provinces, and areas have been established in Canada under the designated area program since this legislation was enacted?

2. How many new jobs have been created by these new industries?

3. What is the estimated cost to the treasury through loss in revenue by special concessions given to these new industries?

Mr. Drury: 1. Thirty four new businesses are being established in Canada with the declared intention of benefiting from the designated area tax incentives program since the enactment of the legislation on December 5, 1963. A provincial breakdown is as follows: Alberta, B.C., 1; New Brunswick, 2; Nova Scotia, 3; Ontario, 17; Quebec, 11; total, 34.

No further breakdown by designated area is shown at this date because of the need to prevent premature disclosure of company plans which could adversely affect the establishment of a new business.

2. A total of 4,251 new jobs is reported by the companies. This figure does not include indirect increases in employment by suppliers, service and construction industries.

3. No estimate of the value of tax exemptions is available.

MOTOR VEHICLE PURCHASES, AGRICULTURE DEPARTMENT

Question No. 591—**Mr. MacLean (Queens):**

From May 1, 1963 to March 1, 1964 how many motor vehicles have been purchased by the Department of Agriculture (a) manufactured or assembled in Nova Scotia (b) manufactured or assembled in Ontario (c) imported from the United States (d) imported from other countries?

Mr. Hays: (a) Nil; (b) 185; (c) nil; (d) 1; total, 186.

ANNUAL PRECIPITATION, GREAT LAKES DRAINAGE AREA

Question No. 595—**Mr. Smith:**

What was the annual precipitation (snow and rain) in the area draining into lake Superior, lake Michigan and lake Huron for each of the years 1953 to 1963 inclusive?

Mr. Pickersgill: The average annual precipitation (snow and rain) given in inches of liquid, in the areas draining into lake Superior, lake Michigan and lake Huron during the years 1953 to 1963 inclusive is as follows:

	Lake Superior drainge basin	Lake Michigan lake Huron drainage basin
1953	33.76	30.20
1954	31.07	36.25
1955	34.19	28.36
1956	27.01	29.80
1957	28.97	34.00
1958	29.67	26.01
1959	32.66	37.47
1960	31.26	33.73
1961	28.58	30.98
1962	27.19	27.80
1963	25.30	26.12

UNEMPLOYMENT INSURANCE—EXTENSION TO TEACHERS

Question No. 597—**Mr. Howe (Hamilton South):**

Is it the intention of the government to place the school teachers in Canada under the Unemployment Insurance Act as recommended by the Gill committee?

Mr. MacEachen: The Gill committee report is under review. The government's intention on the recommendations contained in this report will be announced in due course.

P.E.I. CAR FERRY EXPENDITURES

Question No. 612—**Mr. MacLean (Queens):**

With reference to vote 65 of the Department of Transport estimates passed by parliament for the fiscal year 1963-64, of the $100,000 voted for auto-ferry vessel for the Prince Edward Island car ferry service (a) how much was spent on this project (b) how much, if any, of this amount lapsed (c) how much, if any, of this amount was used for other projects in this vote?

Mr. Pickersgill: (a) Expenditure to March 31 1964, was $109,169.85; (b) and (c) not applicable.

SOUTH SASKATCHEWAN DEVELOPMENT CONTRACT

Question No. 618—**Mr. Pascoe:**

1. Was a contract awarded recently in connection with the South Saskatchewan river development project to McNamara Construction Limited in Edmonton and, if so (a) what was the amount thereof (b) when were tenders first called (c) when were they opened (d) on what date was the contract awarded?

Questions

2. What are the names and addresses of the contractors and/or companies who tendered on this contract and what was the amount of each tender?

Mr. Hays: 1. Yes. (a) $15,598,860; (b) February 5 and 6, 1964; (c) March 4, 1964 (d) March 19, 1964.

2. McNamara Construction Western Limited, Edmonton, Alta., $15,598,860.

Western Contracting Corporation (Sask.) Limited, Regina, and W. D. Wells Construction Company Ltd., Saskatoon, Sask., $18,898,695.

Paul Hardeman Constructors Limited, Vancouver, B.C., $19,947,800.

Mannix Company Limited and Standard-General Construction (International) Ltd., and Tallman Construction Co., Ltd., Calgary, Alta. $21,428,962.

Piggott Construction Limited, Saskatoon, Sask., $21,472,242.80.

*SOUTH SASKATCHEWAN DEVELOPMENT PROGRESS AND COST

Question No. 622—**Mr. Diefenbaker:**

1. Is the rate of progress in the construction of the South Saskatchewan river development project on schedule as forecast in the engineering plans made in 1959? If not, in what phases or aspects is the project?

2. What is the total expenditure for said project made to date by the federal government?

3. To whom and in what amounts have contracts in connection with said project been let since the first day of January, 1964?

Mr. Beer: 1. The rate of progress in the construction of the South Saskatchewan river development project has been such that the work is approximately six months behind the schedule forecast in 1959. Construction of the river diversion tunnels was completed behind this schedule and delayed the diversion of the river from August 1963 to February 1964. Progress on most other components of the project was contingent on the diversion of the river and has been delayed a corresponding period of time.

2. The total expenditure for said project made to February 25, 1964 by the federal government is $72,852,241.47. Of this amount $11,673,663.90 has been recovered from the provincial government.

3. Construction contracts awarded since January 1, 1964 have been with: Falcon Engineering Co. Ltd., Calgary, Alberta, $65,906.18; McNamara Construction Western Ltd., Edmonton, Alberta, $15,598,860.

INDUSTRIES IN DESIGNATED AREAS

Question No. 624—**Mr. Stenson:**

1. How many industries have settled in the designated areas since these areas were set up?

2. What are the names of these industries?

3. How many people will each industry employ in the next three years?

4. What will their advantage be economically and financially?

5. Is the Department of Industry changing the rules of selecting the designated areas?

[Mr. Pascoe.]

Mr. Drury: 1. Thirty four new businesses are being established in Canada with the declared intention of benefiting from the designated area tax incentive program since this legislation was enacted on December 5, 1963.

2. Any announcement of a firm's intentions regarding location, type of business, and planned employment is made by the firm itself. Premature disclosure by the government could affect adversely the establishment of a new business.

3. A total of 4,251 new jobs are reported by the companies. This does not include indirect increases in employment by suppliers, service and construction industries. No breakdown of the figure by business is given because this is a subject for disclosure by individual firms.

4. Eligible business receive a three year exemption from federal income tax and special capital cost allowances on machinery, equipment and buildings. No forecast of the value of advantages to the new businesses is available.

5. The area development agency of the Department of Industry has under active consideration the method of selecting designated areas.

VISUAL REQUIREMENTS, CIVIL PILOT'S LICENCE

Question No. 625—**Mr. Loney:**

With regard to the medical requirements for a civil pilot licence are there any pilots licensed by the civil aviation branch who have not met the visual requirements of the regulations?

Mr. Pickersgill: No. Pilots licensed by the civil aviation branch must qualify in accordance with the physical standards prescribed. The inclusion of an internationally recognized flexibility clause, however, permits some allowance with respect to detailed requirements in the case of an experience pilot. Where visual acuity is concerned, allowance is confined to the uncorrected acuity, full correction must be achieved by wearing glasses.

INQUIRY INTO AIR LINE SAFETY MEASURES

Question No. 627—**Mr. Langlois:**

Is any examination being made of the possibilities of establishing a commission to enquire into safety measures applied by various commercial air lines operating in Canada and, if so, (a) will such commission be authorized to enquire into the safety measures applied to private planes operating from commercial airports (b) how soon would it be possible to establish such a commission?

[*Translation*]

Answer: The establishment of a special commission for the purposes stated is not under consideration. The matter of aviation

safety standards is under constant and continuing review at all times by both government and industry.

[*Text*]

EMPLOYMENT OFFICE, TIMMINS, ONT.

Question No. 628—**Mr. Martin (Timmins):**

1. Are any plans contemplated to split the employment office in Timmins, Ontario into one office to handle employment and the other to handle unemployment insurance claims?
2. Are any plans contemplated to move the employment claims office out of the area and, if so, how is this reconciled with the Department of Labour's action in classifying Timmins as a depressed area in need of special consideration?

Mr. MacEachen: 1. Consequent to the decision to transfer the national employment service to the Department of Labour some consideration is being given to local office organization but no decision has yet been reached.

2. No.

BRUCELLOSIS TESTS, CHAPLEAU COUNTY, QUE.

Question No. 635—**Mr. Laprise:**

1. How many tests for brucellosis were made on herds in Chapleau county in 1963?
2. How many herds were affected by the disease?
3. How many animals were killed in each herd?
4. Who were the owners of the various herds, and how much did the government pay in compensation to each owner?

Mr. Hays: 1. Brucellosis testing in Chapleau county was conducted under the areas formerly designated at Abitibi East and Abitibi West.

Thirty four thousand, four hundred and eighty one tests for brucellosis were made on herds in Chapleau county in 1963.

2. Animals in 52 herds were affected by the disease.

3 and 4. It has been the practice that amounts paid to owners in the form of compensation for animals slaughtered under the provisions of the Animal Contagious Diseases Act are not disclosed publicly. It is considered undesirable to divulge the names of the people who have been ordered to have animals slaughtered under various disease programs since it could be considered by some as a reflection on the health status of their herds because of circumstances over which they have no control. The following does provide the information in the question without revealing the names of those people involved:

Owner	Animals	Compensation
1	2	$125
2	1	65
3	12	755
4	1	62
5	6	399
6	1	62
7	1	62
8	4	258
9	3	200
10	1	65
11	1	61
12	1	60
13	11	731
14	10	657
15	2	125
16	3	182
17	6	396
18	1	60
19	1	145
20	1	68
21	1	63
22	1	62
23	1	65
24	1	66
25	1	60
26	1	68
27	1	128
28	2	129
29	4 (1 died)	197
30	8	526
31	1	60
32	6	395
33	1	62
34	9	579
35	1	60
36	1	60
37	5	307
38	2	135
39	2	130
40	3	184
41	2 (1 died)	55
42	7	425
43	1	60
44	1	65
45	1	60
46	1	62
47	2	130
48	1	62
49	1	67
50	2	126
51	1	60
52	7	432

FRENCH SPEAKING RESIDENTS, CJBC BROADCAST AREA

Question No. 638—**Mr. Loney:**

1. What is the approximate number of French speaking Canadians residing in the broadcast area of CJBC?
2. What is the percentage of French speaking Canadians in comparison to English speaking Canadians in this area?

Mr. Lamontagne: I am informed by the Canadian Broadcasting Corporation as follows:

1. On the basis of d.b.s. official languages tabulations, there are approximately 163,000 French speaking Canadians within the total coverage area of CJBC. Of this total, 67,000 list their mother tongue as French.

2. The total approximate population of the CJBC coverage area is 4,175,000. Thus, French speaking Canadians are approximately 0.40 per cent by official language, and 0.16 per cent by mother tongue.

MOTOR VEHICLE PURCHASES, NAPPAN EXPERIMENTAL FARM, N.S.

Question No. 648—**Mr. Coates:**

How many motor vehicles were purchased by Nappan experimental farm in Cumberland from April 1, 1963, to March 31, 1964 and (a) from what firm, or firms, were these vehicles purchased (b) what was the amount of the lowest bid (c) was it submitted by the successful tenderer and (d) what other firms were invited to tender in each instance?

Mr. Hays: One ½-ton pick-up truck was purchased by Nappan experimental farm in Cumberland from April 1, 1963, to March 31, 1964. (a) Cumberland Equipment Limited, Amherst, Nova Scotia; (b) $1,975 (including trade-in); (c) yes; (d) Tantramar Motors Limited, Amherst, Nova Scotia; D. A. Casey Limited, Amherst, Nova Scotia; Rivers and Dickinson Limited, Amherst, Nova Scotia; George M. Harrison, Amherst, Nova Scotia; MacCann Garage, MacCann, Nova Scotia.

NATIONALIZATION OF CANADIAN BANKS IN CUBA

Question No. 651—**Mr. Cote (Chicoutimi):**

1. After the Canadian banks or branches of Canadian banks were nationalized in Cuba, did the Cuban government compensate Canadian owners or shareholders?
2. What was the currency given in compensation and in what amount?
3. Did the Bank of Canada intervene in this matter, and in what way was it able to protect Canadian interests?
4. Has the Bank of Canada accepted Cuban currency on behalf of Canadian interests?

[*Translation*]

Answer: 1. After the branches of the two Canadian banks operating in Cuba were nationalized, the Banco Nacionale de Cuba paid to each of the banks an amount equivalent to its total invested capital and unremitted profits on the books of its branches in Cuba.

2. The compensation was paid in United States dollars. The total amount so paid is not a matter of public record.

3. All transactions involved were arranged entirely between Banco Nacionale de Cuba and the two Canadian banks.

4. Answered by 3.

[*Text*]

*NEW INDUSTRIES, PORT ALFRED, QUE.

Question No. 652—**Mr. Cote (Chicoutimi):**

How many new industries have taken advantage of the facilities granted for the industrial development of the designated area of Port Alfred since the order in council was passed?

[Mr. Lamontagne.]

[*Translation*]

Mr. Drury: No new industry has informed the area development agency of the Department of Industry of its intention to take advantage of the fiscal incentives program in the designated area of Port Alfred.

[*Text*]

BREAKWATER IMPROVEMENTS, CAPE JOHN, N.S.

Question No. 659—**Mr. MacEwan:**

Are improvements to be carried out during the year 1964-65 to the breakwater at Cape John, Pictou county, Nova Scotia and, if so, what do these improvements include?

Mr. Deschatelets: No new improvements are planned. However, breakwater repairs not quite completed last year will be finished during 1964-65.

POST OFFICE SITE, ST. JEAN PORT JOLI, QUE.

Question No. 664—**Mr. Ricard:**

What method was used by the Department of Public Works to purchase a lot for the construction of a post office at St. Jean Port Joli, and from whom was this lot purchased?

[*Translation*]

Answer: The Department of Public Works has purchased no lot for construction of a post office at St. Jean Port Joli, Que.

[*Text*]

CANADIAN GENERAL ELECTRIC ANNOUNCEMENT RESPECTING TARIFFS

Question No. 677—**Mr. Stenson:**

1. Has the attention of the Minister of Industry been drawn to the Canadian General Electric's announcement last Thursday that tariff philosophies are not conducive to making needed investments in export facilities in Canada, and that they are setting up plants in Europe and Latin America rather than investing in export plants in this country?
2. If so, what steps have been or will be taken in this regard by the government?

Mr. Drury: 1. Yes, I have seen the comments made by the president of Canadian General Electric Company Limited respecting the forthcoming round of tariff negotiations.

2. The government has announced the basic principles which will be followed in the negotiations. These are set out on pages 972 and 973 of *Hansard*.

QUESTION PASSED AS ORDER FOR RETURN

CENTENNIAL PROJECT GRANTS

Question No. 454—**Mr. Latulippe:**

1. How many grants of all kinds has the government given to or provided for provincial or municipal governments, organizations, groups or individuals in connection with centennial projects?
2. To whom were these grants given, what were the amounts involved and what was the project planned?
3. What are the names of the organizations which to date have informed the government of their intent to undertake a special project for the centenary?

4. Who, on behalf of the responsible federal minister, is in charge of the administration and co-ordination of all centenary projects?

5. Are there any statistical data on the amounts that have been invested to date in various projects and, if so, what are they, by project?

Return tabled.

CANADIAN BROADCASTING CORPORATION

WINDSOR—U.S. CONTROL OVER TELEVISED HOCKEY BROADCASTS

On the orders of the day:

Mr. H. W. Danforth (Kent, Ont.): I have a question for the Secretary of State. In his absence I could perhaps direct it to the acting minister or to the Prime Minister. The question arises out of the disappointment and dissatisfaction felt by viewers of sports broadcasts put out by the C.B.C. last week in southwestern Ontario, especially in the Windsor area. Is it a fact that our C.B.C. is under United States control to the degree that the manager of the Olympia arena in Detroit directs which broadcasts of hockey games may be televised in the area even to the extent, as alleged, that all televised games from Toronto come into Windsor only by courtesy of United States permission?

Right Hon. L. B. Pearson (Prime Minister): Perhaps I can deal with this matter which is of such great importance to so many people and tell the hon. member that his anxiety about this inadequacy is shared by many, including my hon. friend from Essex East and others from that part of the world who have already brought this to my attention in very strong terms.

EXTERNAL AFFAIRS

CYPRUS—REPORTED STATEMENT BY COMMANDER OF CANADIAN REGIMENT

On the orders of the day:

Hon. Paul Martineau (Pontiac-Temiscamingue): I have a question for the Secretary of State for External Affairs. In view of the statement recently made by the commander of the Royal 22nd regiment that the honeymoon was now over for Canadians in Cyprus and that a blood bath was imminent on the island, can the minister give the house an up to date report on this operation with a particular assurance that all measures have been taken to avoid possible loss of life?

Hon. Paul Martin (Secretary of State for External Affairs): I have not seen the statement to which the hon. member directs my attention. I may say, however, that the most recent communication from Canada's high commissioner in Cyprus suggests that the United Nations peace keeping body in which Canada is participating is proving a very useful factor in the stabilization of that troubled island.

Mr. Martineau: In view of the minister's answer perhaps I had better send him over today's newspaper.

CYPRUS—REQUEST FOR BRIGADE HEADQUARTERS STAFF

On the orders of the day:

Mr. J. Chester MacRae (York-Sunbury): Mr. Speaker, I would like to ask a question of the Secretary of State for External Affairs. Has a final decision now been made by the government to send a brigade headquarters staff to Cyprus and, if so, how many Canadian personnel are involved?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, in answer to a question on Friday I said we were considering a request from the United Nations secretary general to provide a brigade headquarters staff for the United Nations peace keeping force, and a few staff officers for General Gyani's headquarters. The government has now decided to meet these requests and my colleague, the Associate Minister of National Defence, has the details.

Hon. Lucien Cardin (Associate Minister of National Defence): Mr. Speaker, in answer to the hon. member's question I can say that the Department of National Defence has received two formal requests from United Nations headquarters, through the Department of External Affairs. The first is for the provision of five Canadian staff officers for General Gyani's United Nations force headquarters. The second had to do with the provision of a brigade headquarters, a signal squadron and a headquarters company, the latter for local domestic support of the brigade headquarters and the United Nations headquarters.

It is clear that some of the appointments in the brigade headquarters will be filled by personnel from the other participating nations. The role of the brigade headquarters will be to take over command of the Nicosia zone which is at present commanded by the British 16th parabrigade group headquarters. The headquarters will be responsible for the domestic support of the United Nations force headquarters and may be responsible for the administration of part of the Swedish contingent in the northwest portion of Cyprus. It will have under command the Canadian contingent, two British units of battalion size and the Finnish contingent, as well as a number of logistic units.

Inquiries of the Ministry

I am sure hon. members can appreciate how difficult it is to establish exactly how many personnel are required, and in order to be able to determine this Brigadier Tedlie will depart from Trenton on Thursday, April 16, with an advance party of approximately 20 people. The Thursday flight is the normal weekly maintenance flight to Cyprus. On arrival Brigadier Tedlie will confirm the establishment required and call forward the balance of his headquarters, the signal unit and the headquarters company of domestic and administrative personnel.

Although it has been difficult to come to an exact figure as to the number of additional personnel required, it is estimated that the additional number of personnel to be sent to Cyprus, including the five officers in General Gyani's headquarters and the brigade headquarters, will total approximately 156. This would make the total number of Canadian forces in Cyprus 1,088. Hon. members will notice that this is well under the ceiling established in the order in council, which provided for 1,200 Canadian personnel in Cyprus.

CYPRUS—REPORTED REQUEST FOR R.C.M.P. CONTINGENT

On the orders of the day:

[*Translation*]

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

It is based on the C.B.C. news bulletin at one o'clock. May I ask the minister if it is true that the United Nations asked Canada to send 40 R.C.M.P. officers to Cyprus?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, discussions have been held between the secretary general and representatives of various countries, and Canada is of the opinion that the proposal should be considered by all nations, especially since Canada and other countries are now participating in the United Nations force.

Mr. Pigeon: As far as the R.C.M.P. is concerned—

[*Later:*]

Mr. Speaker, I should like to get more accurate information from the Secretary of State for External Affairs concerning the question I asked him a while ago. Could he tell the house whether it is true that the United Nations has officially asked Canada to consider the possibility of sending an R.C.M.P. contingent to Cyprus?

Mr. Martin (Essex East): Yes, Mr. Speaker.

[Mr. Cardin.]

[*Text*]

VIET NAM—REPORTED U.S. PRESSURE TO ATTACK

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): I wish to direct an important question to the Secretary of State for External Affairs. In view of the pressures being brought to bear on the United States government by certain elements within the United States to settle the unfortunate Viet Nam situation by an attack on North Viet Nam, has the Canadian government indicated its fears as to what this might mean with respect to world peace if such action is taken?

Hon. Paul Martin (Secretary of State for External Affairs): There have been very full discussions between Mr. Rusk and myself and between other representatives of the two governments with respect to this matter.

PENSIONS

CANADA PLAN—REQUEST FOR REVISED ACTUARIAL REPORT

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, in the absence of the Minister of National Health and Welfare may I direct my question to the Prime Minister. In view of the desirability of having at hand all possible information before we reach the debate on the second reading of the Canada pension plan, can the Prime Minister find out whether there is an updated actuarial report on the plan similar to the one we had last year and, if so, can such an updated report be made available to members of the house?

Right Hon. L. B. Pearson (Prime Minister): I will look into that question at once as a matter of urgency.

SOCIAL INSURANCE

NOVA SCOTIA—TELEGRAM FROM TEACHERS UNION RESPECTING REGISTRATION

On the orders of the day:

Hon. George C. Nowlan (Digby-Annapolis-Kings): I wish to address a question to the Minister of Labour and ask him if he has received a telegram from the secretary of the Nova Scotia teachers union complaining of the fact that boards of education in the province have been advised that all employees must register for a special insurance number and that if they do not they are subject to prosecution for failing to do so.

Hon. A. J. MacEachen (Minister of Labour): I have not received a telegram to that effect but I think a similar telegram was sent to my

hon. friend from Halifax, who drew it to my attention just as I came into this house.

The fact is, of course, as I tried to indicate on Friday, that the printing used in one section of the sheet of instructions is set out in such a way that it might be interpreted to include the whole set of instructions, when in fact it applies only to the insurance book renewal, namely, to those persons in the insured population who have an obligation to register.

I will be glad to get in touch with Mr. Parker and explain the circumstances to him.

Mr. Nowlan: A supplementary question. Under the law as it exists at the moment, registration is voluntary for certain teachers, at any rate; yet they have received notice from the unemployment insurance commission that they are now subject to prosecution if they do not comply. Is this an extension of an act of parliament of which the House of Commons has not been advised, or is it an intrusion on the part of the federal government into the field of education which comes strictly under the control of the provincial governments?

Mr. MacEachen: It is neither. The teachers are free to register if they wish. It is my hope they will register. This is really a misunderstanding based on the size of the print at the bottom of the sheet of instructions.

Mr. Nowlan: My final supplementary question on this matter. I take it from the minister's answer that it is up to the teachers whether they register or not?

Mr. MacEachen: Absolutely.

[*Later:*]

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker. I apologize again for returning to registration for unemployment insurance, but I am wondering why it is departments of the government are still sending out notices that in no way bear a relationship to what the minister has said is the rule. I have before me a circular letter to all employees having to do with the department of printing and stationery. I quote the pertinent part:

The new system includes issuance of a social insurance number to all employed persons whether covered by unemployment insurance or not.

This notice is dated April 7. It goes on:

The unemployment insurance commission therefore has undertaken the registration of all employees whether insured or not under the Unemployment Insurance Act for the purpose of allocating a new number. Before a new social insurance number can be allocated all employees residing in the Ottawa-Hull area must complete an application for a social insurance number.

Is it not possible that this series of disorderly announcements which bear no relationhip to what the minister has said could be obviated by one general order, instead of some people being placed in the position where they are threatened unless they register while others are free not to register?

Mr. MacEachen: Mr. Speaker, I tried to follow the reading of the statement by my right hon. friend as I listened to him. I did not get the impression that the statement indicated that all employees were obliged to register. It is our desire—

Mr. Diefenbaker: So that the minister has the words I will read them again:

Before a new social insurance number can be allocated all employees residing in the Ottawa-Hull area must complete an application—

Then over the page it says:

A final return date has been established for April 13, 1964.

Mr. MacEachen: Well, of course, Mr. Speaker, before a number can be issued the form must be filled out. That is how I interpret the statement, but I want to make it clear again, as I have done for several weeks now in the house, that the mandatory aspect is with respect to the insured population, which aspect derives from the authority of the Unemployment Insurance Act. Notwithstanding the apprehension which may have been expressed by particular groups of the population, I think it is still a good idea for all Canadians to come forward and register voluntarily.

Mr. Diefenbaker: It is not a question whether it is a good idea or not; these people are being led to believe that the government has a power it has not got. I want to ask the minister whether he will also give consideration to this. As suggested by the Saskatchewan teachers federation, some teachers have been threatened that they will be prosecuted unless they comply with this registration, as a result of which threat they did comply. They now ask that their registrations be returned, they have been made under a misapprehension and through a misdirection.

Mr. MacEachen: Mr. Speaker, I would certainly be very surprised if any teacher has been threatened. Certainly it is not the desire of the commission or the government to have any person threatened when there is no legal obligation upon him to come forward. I have attempted to make the situation clear from the very first time the matter has been raised in the house, and I have explained it again today.

[*Later:*]

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a supplementary question to the Minister of Labour which is based on his statement of a moment ago that applying for a social insurance number is voluntary for non-insured persons but a good idea. Since that is the case, and since the minister himself is presently in non-insured employment, has he voluntarily come forward and applied for one of these social insurance numbers?

Mr. Pearson: You will soon be unemployed yourself.

Mr. MacEachen: Mr. Speaker, I have not come forward, but I will be delighted to do so today.

Mr. Knowles: A supplementary question. When the minister has found out how he can apply for a social insurance number, will he let the rest of us know too in case we should like to apply?

Mr. MacEachen: Yes, Mr. Speaker, I will be glad to do that.

Mr. Lloyd R. Crouse (Queens-Lunenburg): Mr. Speaker, I have a supplementary question for the Minister of Labour relative to the completion of the unemployment insurance cards. A moment ago the minister stated that the teachers were not compelled to complete these cards and that there was no compulsion involved. I have a copy of the telegram which was forwarded to him by Mr. Tom Parker, the executive secretary of the Nova Scotia teachers union, which states in part:

> Strongly protest recent letter to school boards from national employment office U.I.C. requiring boards ensure that all employees register for a special insurance number and declaring it an offence not to comply.

Will the minister make it very clear that it is not an offence for the teachers not to complete these cards?

Mr. MacEachen: Mr. Speaker, I have made it clear, and I shall be glad to make it clear again. I think one ought to understand the background with respect to the apprehension of the teaching profession with respect to this card. The Gill committee, in its examination of the Unemployment Insurance Act, has recommended that additional groups including teachers be brought within the coverage of that act. Teachers' groups are opposed to this, and I believe they feel that if they fill out this form they give some indirect support to that recommendation of the Gill committee, which of course is quite incorrect.

Whatever coverage is undertaken for additional classes of people will be up to the parliament of Canada, and is an entirely separate decision. The filling out of these social insurance forms would not, in my judgment, affect the decision in any way.

Mr. Martineau: As a supplementary—

Mr. Speaker: Order. May I interject to say that we seem to have had an extended discussion on this quite important matter and questions have come from all across Canada, all directed to this one subject. I think the minister has stated his position reasonably clearly, and I think hon. members have made their points very clear. May I suggest that we get on to something else.

Hon. Paul Martineau (Pontiac-Temiscamingue): Mr. Speaker, I have a supplementary question for the Prime Minister. It is related to the previous question and I think it is of very great importance. During the reply to the hon. member for Winnipeg North Centre the Prime Minister made an interjection and said, "You had better because you may soon be unemployed". I want to ask the Prime Minister, is he contemplating calling an early election?

Right Hon. L. B. Pearson (Prime Minister): Well, Mr. Speaker, I am grateful to my hon. friend for giving me an opportunity to deal with this important, unrelated question; because I know there has been much talk lately of a quick election, and I would like to say on this subject the government has no intention, nor has it had any intention, of assisting and co-operating in any way with those who want to force on the Canadian people a third election in two years. We propose to carry on with our parliamentary program and get the items of that program planned for this session before parliament, and we propose to do that as quickly as we can.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: Mr. Speaker, I note there is general agreement with that, and suggest to the Prime Minister it would have been well had he told his colleagues this and they would not have had the meeting they had the other night.

Mr. Pearson: Although, Mr. Speaker, the right hon. gentleman has made a suggestion and not asked a question, and therefore is out of order, I would like to set his mind at rest. There was no such meeting the other night.

[*Later:*]

Mr. K. H. More (Regina City): Mr. Speaker, I feel compelled to address one more question to the Minister of Labour because my telegram from Saskatchewan states categorically that some teachers have been threatened with prosecution unless they register.

I should like to ask him to inquire into the source of these threats and see that they are withdrawn, and that no more are made by any agency under his jurisdiction.

Mr. MacEachen: I will be very surprised if any threats have been made. Possibly this interpretation has been regarded as a threat, but we will take steps to make sure no teacher feels there is a threat involved.

Mr. A. D. Hales (Wellington South): May I ask a supplementary question of the Minister of Labour. In order to overcome this great confusion which exists across the country in connection with this matter, will the minister consider using some of the $200,000 that has been set aside for advertising this program to notify people that only those who come under unemployment insurance must fill out these cards?

REGISTRATION OF EMPLOYEES OF CROWN CORPORATIONS

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): I should like to direct a supplementary question to the minister. I may say I have received from the teachers federation of the province of Saskatchewan a complaint similar to the one which my hon. friend has just brought up, to the effect that teachers have been threatened with prosecution if they did not register.

However, it is not of that I wish to speak. My question has to do with the employees of crown corporations and, in particular, of the Canadian National Railways. Have the crown corporations been advised that their employees do not need to register unless it is in connection with unemployment insurance? I am informed that Canadian National Railways and other crown corporations are proceeding as if registration were compulsory. Will the minister make this situation clear, since apparently there is a duality of interpretation still taking place? This should be cleared up at once.

Hon. A. J. MacEachen (Minister of Labour): The situation, Mr. Speaker, is that only employees within the insured population are obliged to register under the authority of the act. I shall be glad to investigate this particular matter and clear it up.

LABOUR CONDITIONS

REQUEST FOR EXTENSION OF WINTER WORKS PROGRAM

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): I should like to direct a question to the Minister of Labour. Can the hon. gentleman tell us whether the officers of his department are now working on a plan to prolong the winter works program in the designated areas after April 30 of this year?

Hon. A. J. MacEachen (Minister of Labour): I have assured the hon. gentleman that this suggestion will be considered. However, that consideration has not yet been completed.

Mr. Gregoire: A supplementary question, Mr. Speaker. Has the minister received telegrams from the municipalities of such designated areas to the effect that the winter works program for this year should be prolonged?

Mr. MacEachen: Mr. Speaker, I will be glad to check into that particular aspect of the matter and identify the telegrams, as to whether they have come from designated areas.

Mr. E. Nasserden (Rosthern): Mr. Speaker, I have a supplementary question for the Minister of Labour. Would he consider this not only for the designated areas but for all areas of Canada?

Mr. MacEachen: I have already stated that it is not the intention of the government to apply an extension generally to the municipal winter works program. That decision has already been made. What is still under consideration is the suggestion made by the hon. gentleman.

[*Translation*]

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, I should like to ask a supplementary question. Can the minister tell the house whether the Quebec government has made representations to his department, in order that the works period be extended to May?

[*Text*]

Mr. MacEachen: No, Mr. Speaker, subject to checking; and if I prove to be wrong I will advise my hon. friend.

Hon. Michael Starr (Ontario): Mr. Speaker, I have a supplementary question. Has the Minister of Labour received any representations from the association of Canadian mayors and municipalitiies for a further extension?

Mr. MacEachen: I will also check into that, Mr. Speaker. I do not recall having received any representations recently.

SHIPPING

EFFECT OF LOW WATER LEVELS IN GREAT LAKES

On the orders of the day:

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I have a question for the Minister of Northern Affairs and National Resour-

ces. Is the minister ready to make the statement on the water levels of the great lakes and Georgian bay which he promised last week?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, this report was prepared; I read it, but I was not too happy with it. There are further discussions—

Mr. Nowlan: You were not too happy with what, the water levels or the report?

Mr. Laing: I thought there was not enough water in it. I expect to make the report tomorrow.

Mr. Aiken: May I ask a supplementary question, Mr. Speaker. May I assume that the minister is asking for an objective report on whether some action can be taken to remedy the situation?

Mr. Laing: Mr. Speaker, it would still appear that the best thing we could do is pray for rain.

INDIAN AFFAIRS

POLLUTION OF KITIMAT RIVER—OPERATION OF MILLER BAY HOSPITAL

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, in the absence of the Minister of National Health and Welfare I should like to direct a question to the hon. member for Hamilton East in his capacity as parliamentary secretary. My question is based upon a letter of which I gave him a copy just a few moments ago. I should like to pose the question. Is the department aware that recently two members of the Kitimat Indian band suffered acute gastroenteritis and the diagnosis of the doctor was that the cause of this ailment was the eating of contaminated fish from the Kitimat river occasioned by the pollution of that river by raw sewage? I ask the parliamentary secretary whether this matter will be looked into, to ensure the protection of the native people there.

While I am on my feet, Mr. Speaker, I wonder whether I could ask the parliamentary secretary if he would care to reply to a question I posed the other day regarding the hospital at Miller bay.

Mr. J. C. Munro (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, with reference to the first matter, on behalf of the minister I thank the hon. member and I will bring the letter to her attention. The minister will no doubt reply to it in the house.

As far as the second matter, concerning the Miller bay Indian hospital, is concerned, I would reply as follows. The Miller bay Indian hospital is not and never was intended to be an acute general hospital. It has been operated for the past 18 years as a 147 bed hospital for tuberculous Indians. Acute general care for British Columbia Indians has been provided in community general hospitals, through British Columbia hospital insurance services, on the same terms and conditions a their non-Indian neighbours.

Because of the progressive reduction in the Indian tuberculosis case load, the department hopes to be able to phase out the hospital's tuberculosis function over the next two or three years. Planning has been complicated by an acute bed shortage in Prince Rupert general hospital. Because general care beds are not always available for them in Prince Rupert, Miller bay has, for the past several years, been admitting local Indians urgently requiring general hospital care. When and if extra beds are available in Prince Rupert, these emergency beds in Miller bay will no longer be required and the department can proceed with the planned phase out of the tuberculosis institution.

Miller bay Indian hospital has played an important role in the department's anti-tuberculosis program for British Columbia Indians. It is, however, a former R.C.A.F. hospital of temporary wartime construction, and the buildings are rapidly nearing the end of their useful life. Inasmuch as the remaining Indian hospitals at Nanaimo and Sardis can now carry the full Indian tuberculosis case load, there will be no justification for the continuance of this substandard treatment facility.

Mr. Howard: A supplementary question, Mr. Speaker. I wonder whether I could ask that the department approach the province of British Columbia to offer some financial assistance to the Prince Rupert general hospital, inasmuch as with the closing of the Miller bay hospital it is the only hospital in that area which will be able to accommodate native Indian people. Is the department prepared to assist financially in the additions to that hospital, in order to ensure that there will be adequate treatment facilities there?

Mr. Munro: Mr. Speaker, I will be pleased to bring the hon. member's submission to the attention of the minister.

LABOUR RELATIONS

GREAT LAKES—INQUIRIES RESPECTING "DO NOT SHIP" LIST

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I direct a couple of questions to the Minister of Labour.

One arises out of the question that I asked earlier as to whether the "do not ship" list is still in effect on the great lakes. Is it a fact that some 4,000 Canadian seamen are still on that list? In addition, does the S.I.U. continue to charge an initiation fee of $240 for every person who wants a job on a Canadian ship? Is that system going to be continued in effect?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, the board of trustees advised me last week that when they took over there was no "do not ship" list in existence, and that they had placed a person in each of the hiring halls to see that this practice is not revived. In connection with the second part of the question, may I just say that I will check into the matter of initiation fees. However, I would remind the hon. gentleman that if the constitution of the S.I.U. provided for a special initiation fee the trustees, under the legislation, are not permitted to alter the constitution except with the consent of the membership. I do not know whether initiation fees are part of the S.I.U. constitution, and I will check that matter.

Mr. David Orlikow (Winnipeg North): A supplementary question, Mr. Speaker. Since the minister says the trustees have advised him that there is no "do not ship" list, I wonder whether the minister could inquire from the trustees how the thousands of men who were put on the "do not ship" list can get back to work. They do not have the membership card which permits them to go into the hiring hall, so in fact they cannot go back to work and are, in effect, barred from working.

Mr. MacEachen: Mr. Speaker, the trustees have assured me that they are ready to right any injustice that has affected any S.I.U. member. They have suggested, and I have suggested in the house, that any particular member of the S.I.U. having a grievance in this connection ought to get in touch with the board of trustees about the matter. That is the procedure that ought to be followed.

Mr. Orlikow: A supplementary question, Mr. Speaker. Could the minister inquire from the trustees, if this is true, why people who came to the trustees are being referred to Commander Robertson for adjudication of their grievances?

Mr. MacEachen: The first step, in so far as the trustees are concerned, is to have the matter drawn to their attention. What procedures they follow after that is a matter for them, but I will be glad to inquire and report to my hon. friend.

[*Later:*]

Mr. MacEachen: May I refer to a statement I made earlier with respect to the S.I.U. constitution. As I recollect the provisions of the trusteeship act, the trustees can recommend changes to the constitution to the membership, and that rule generally prevails except in certain instances where extraconstitutional powers are granted to the trustees. I did not want to mislead the Leader of the Opposition in any way.

Mr. Diefenbaker: Well, I was misled and I am surprised at the answer. I would now come back and ask the minister whether he was not misled when he said that the "do not ship" list is no longer in effect. I am informed that various seamen have been denied employment because they are on that list.

Mr. MacEachen: Mr. Speaker, I can only repeat that I have raised this question several times with Mr. Justice Dryer and as recently as Saturday, he being in Ottawa. He told me that the list was not in existence, and that if there is any way in which persons can inform them that this discriminatory practice is still being engaged in, the trustees would be glad to take whatever action they can.

INQUIRIES FOR RETURNS

On the orders of the day:

Mr. J. B. Stewart (Parliamentary Secretary to Secretary of State): Mr. Speaker, on Thursday and Friday last the Leader of the Opposition and the hon. member for Winnipeg South Centre made inquiries concerning the number of orders for returns still outstanding from the first session of the present parliament. I now want to report that 10 orders for returns are still outstanding out of the 229 which were passed during that first session. On February 18, 1964, at the beginning of the present session, there were 49 returns outstanding and since that date 39 have been deposited, leaving a balance of 10. The departments concerned have been notified, and just as soon as the information is received from those departments it will be deposited in the house.

INCOME TAX

CLARIFICATION OF FINAL DATE FOR FILING RETURNS

On the orders of the day:

Mr. L. E. Cardiff (Huron): Mr. Speaker, I should like to direct a question to the Minister of Finance. In the last two or three weeks the finance department or the income tax department have been putting on a drive to get people to file their returns by April

15, and a lot of people have the idea that that is the date by which they should be filed. Would the Minister of Finance clear that matter up for the public, please?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, the returns are due on April 30. I am sure if there is any further information on this particular point which my hon. friend would like to have, the Acting Minister of National Revenue will be glad to supply it.

Mr. Cardiff: I think a mistake has been made as far as the public are concerned. These statements which have been made on the radio and television seem to indicate that the 15th is the deadline instead of the 30th.

POWER

PEACE RIVER—APPLICATION FOR CONSTRUCTION OF DAM

On the orders of the day:

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, my question is for the Minister of Public Works and arises out of the answer he gave to a question of mine on Friday last, when he informed me that the government was now looking into the question of an application from the government of British Columbia for a licence under the Navigable Waters Protection Act with regard to the Peace river—

—because at this time we have not received any application from the province.

In view of the fact that six months ago the former minister of justice, Hon. Lionel Chevrier, informed the hon. member for Peace River (Mr. Baldwin) that it has been determined that the Peace river, at the point at which this construction work is going on, does come under the Navigable Waters Protection Act, I would like to ask the minister how much longer the government is going to look into this; and is there any connection whatever between the extraordinary delay in dealing with a flagrant and obvious defiance of the law on the part of the government of British Columbia and the improvident arrangements that the government has made in the past with British Columbia for the development of the Columbia river?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, the last time this matter was brought up I told the hon. member that we were looking into it.

Mr. Cameron (Nanaimo-Cowichan-The Islands): Six months ago.

Mr. Deschatelets: Not for six months. I told the hon. member the other day that the first problem was to determine whether at the dam site the Peace river was navigable.

Mr. Cameron (Nanaimo-Cowichan-The Islands): That was done six months ago.

Mr. Deschatelets: I told the hon. member that an opinion was secured from the Department of Justice, which was in the affirmative. I repeat to the hon. member that we are looking into this matter. Communications were had with the government of British Columbia, and as soon as this matter reaches a conclusion I will be very glad indeed, as usual, to report to the house.

Mr. Cameron (Nanaimo-Cowichan-The Islands): As a supplementary question, can the minister tell us of any other solution than calling on the premier of British Columbia to abide by the law? Further, why has the government waited six months after it had that determination as to the applicability of the act?

Mr. Deschatelets: Mr. Speaker, I am not ready today to give the house the decision which will be taken, but I still insist on saying that in the very near future a decision will be adopted and the house will be told accordingly.

AGRICULTURE

RECOMMENDATIONS OF QUEBEC CONCENTRATED MILK MANUFACTURERS

On the orders of the day:

Mr. Auguste Choquette (Lotbiniere): Mr. Speaker, I would like to direct a question to the Minister of Agriculture. Recently the Quebec concentrated milk manufacturers' association, of which Mr. Georges-Henri Vermette, prefet de Lotbiniere, is president, made recommendations to the agricultural stabilization board. I would like to ask the minister whether it is the intention of his department to implement those recommendations.

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

TRADE

REQUEST FOR STATEMENT ON UNITED NATIONS CONFERENCE

On the orders of the day:

Mr. R. W. Prittie (Burnaby-Richmond): Mr. Speaker, on March 20 the Minister of Trade and Commerce said, in reply to questions by myself and the hon. member for Digby-Annapolis-Kings, that he would consider taking part in the budget debate to make a definitive statement on the Canadian stand at the United Nations conference on trade and development and the relationship of that conference to the

forthcoming GATT conference. I am wondering whether the minister is still prepared to do that.

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, if there is an opportunity I certainly intend to take part in the debate, and I shall try to cover these among other points.

REQUEST FOR REPORT ON TRIP OF WHEAT BOARD CHAIRMAN

On the orders of the day:

Mr. Reynold Rapp (Humboldt-Melfort-Tisdale): Mr. Speaker, my question is directed to the Minister of Trade and Commerce under whose jurisdiction the Canadian wheat board comes. Since the chairman of the Canadian wheat board, Mr. McNamara, has returned from a two month trade mission in Russia and eastern Europe, can the minister report to the house, if he has received a report from Mr. McNamara, whether the mission was successful and will be beneficial to our country?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, I think this has been a most successful trip by Mr. McNamara to the Soviet union and other countries, not because he was engaged in trade negotiations but because after the strenuous efforts he has made on behalf of Canadian farmers I think he deserved a holiday. He had an excellent holiday. I saw him in Winnipeg on Friday and he is in very good health. He did have some useful conversations with Soviet representatives and with other governments. Some of these were very successful indeed notwithstanding the fact that that was not the primary purpose of his trip. Therefore I think I can say to my hon. friend that from the point of view of Canadian farmers the trip was a great success.

AIR TRANSPORT

USE OF CRASH POSITION INDICATORS ON CHARTERED AIRCRAFT

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, I wish to ask the Minister of Transport if he can yet answer the question I asked him on April 7, of which he took notice at that time. It relates to the over-all government policy concerning the use of crash position indicators in chartered aircraft.

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, the matter is under consideration, but it is not customary to answer questions about policy in response to urgent questions on orders of the day. When a decision is made an announcement will be made at an appropriate time according to the rules.

Mr. Nielsen: Mr. Speaker, I suggest to the minister that this is an urgent matter, since hundreds of charter companies are desirous of ascertaining the policy of the government.

Mr. Speaker: Order.

LABRADOR

INQUIRY AS TO BOUNDARY BETWEEN QUEBEC AND NEWFOUNDLAND

On the orders of the day:

Mr. Robert C. Coates (Cumberland): Mr. Speaker, I have a question for the Minister of Transport. Can the minister inform the house if the whole of Labrador now comes under the jurisdiction of the province of Quebec, as indicated by the advertisement for Quebec savings bonds which appeared in the April 13 issue of the *Financial Times* of Canada?

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, the part of the hon. member's question that I could hear did not appear to me to be concerned with my functions as Minister of Transport.

Mr. Speaker: May I suggest that this question be put on the order paper.

NATIONAL CAPITAL COMMISSION

HULL, QUE.—VACANT POSITION OF DIRECTOR

On the orders of the day:

[*Translation*]

Mr. Gerard Girouard (Labelle): Mr. Speaker, may I put a question to the Minister of Public Works?

Could the minister point out to the authorities of the national capital commission that the office of commissioner for the Hull area has been vacant since February 6?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, I thank the hon. member for having raised the question, but I must advise him that we were aware of the fact and that an appointment to fill that office will be made in the near future.

[*Text*]

SUGAR

REQUEST FOR STATEMENT ON PRICE FLUCTUATIONS

On the orders of the day:

Mr. Barry Mather (New Westminster): Mr. Speaker, I have a question for the Minister of Trade and Commerce. Having in mind reported new fluctuations in the price of sugar, I wonder whether the minister would be good enough to ask the department to look into the matter and report to the house on the situation.

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, the hon. member will recall that at their peak prices of sugar

on the London market were about £105 per ton. When I spoke in the house in February and gave a report on the negotiations the price had declined to £80 per ton. At that time I felt confident in saying that the price would go down still further and that it would be undesirable to have any definitive negotiations then. Prices have since declined to a low of about £62 a ton, and during the last few weeks they have fluctuated between that figure and £68 per ton. They are now at £66½ per long ton. Indications in the futures market are that prices will go down still further, and under those circumstances I believe I was justified and continue to be justified in awaiting further developments.

HOUSING

REPORTED HALTING OF LOANS BY APPROVED LENDERS

On the orders of the day:

Hon. Michael Starr (Ontario): Mr. Speaker, I should like to pose a question to the Minister of Finance. In view of information I am receiving that there is a complete drying up of N.H.A. loans from approved lenders, can the minister advise the house whether any steps have been taken to rectify the situation?

Hon. Walter L. Gordon (Minister of Finance): The matter is under immediate and urgent consideration at the present time, Mr. Speaker.

ADMINISTRATION OF JUSTICE

DISCUSSION OF ORGANIZED CRIME WITH U.S. ATTORNEY GENERAL

On the orders of the day:

Mr. Reid Scott (Danforth): Mr. Speaker, I want to ask the Minister of Justice a question. Can the minister tell us whether in his meeting tomorrow with U.S. attorney general Robert Kennedy they will be discussing the infiltration of organized crime into Canada and any plan that the government may have in mind to deal with American syndicates alleged to be beginning to move into Canada?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, I suggest this is not a proper question for this time of the day, but I will take note of it as an indication from the hon. member of what he thinks is a proper suggestion for discussion.

THE BUDGET

ANNUAL FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The house resumed, from Tuesday, March 24, consideration of the motion of Hon. Walter L. Gordon (Minister of Finance), that Mr. Speaker do now leave the chair for the house to go into committee of ways and means.

Mr. J. B. Stewart (Antigonish-Guysborough): Mr. Speaker, the magnetic attraction of extreme positions has been well illustrated by the debate on the budget introduced by the Minister of Finance on March 16, and now before us again today. Some speakers who have taken part in the debate have denounced the Minister of Finance, who reduced the forecast deficit by one third from that of the last two years, for not having done more to achieve a balanced budget. Others who have spoken regard the minister as strangely unenlightened because he has refused to budget for a massive deficit which could be achieved by greater expenditures or by a cut in taxes.

Now, what both groups are ignoring is that neither a balanced budget nor a massive deficit is desirable as an end of economic policy, per se. Deficit spending or tax cutting are useful ways of stimulating a stagnating economy, but they are useful only up to a certain point. Beyond that point they only inflate the supply of money or credit in circulation. Balancing the budget has a deflationary effect in an expanding economy, for it means that the quantity of money or credit in circulation is being held constant while the economy as a whole expands.

A balanced budget brought about by the simple expedient of slashing expenditures will have a depressing effect on an economy. This does not mean, of course, that balanced budgets are to be anxiously avoided. A balanced budget is desirable if it should come about as the result of an economy so prosperous that with the rates of neither altered, government revenues overtake government expenditures.

The demand for a balanced budget and the demand for a massive deficit, both of which we have heard in this debate, are red herrings. They tend to obscure the important consideration in the formation of national economic policy, namely the possibilities given to our people to earn a living. The general availability of jobs in a productive economy is what is supremely important. Balanced budgets or massive deficits are important chiefly as they influence this fundamental consideration.

The scarcity of jobs, that is unemployment, is now a regional problem, concentrated mainly in eastern Quebec and the Atlantic provinces, as the Minister of Finance told us on both March 16 and March 24. The deluge of unemployment has receded so that most of the nation is now free, but unemployment persists, albeit at reduced levels, in certain areas, and most especially in

Atlantic Canada. Consequently the approach of the government to the problem of unemployment must now be regional, and not general as a few months ago.

Those of us who come from Atlantic Canada are anxious to have our lower economic status corrected in so far as that lower economic status is the result not of nature but of laws and policies. It must be understood that we are not asking that natural resources be created by statute of this parliament, but we are asking that we be helped to overcome the special difficulties that our participation in Canada entails. These difficulties, which are basically three in number, spring from the fact that we are at the remote end of a narrow transcontinental economy rather than at the centre of a north Atlantic economic community. We are confined by tariff walls that do not help us much directly. In an age of improving transportation we are becoming relatively more and more isolated. Because of the centralized nature of Canada's savings and investment institutions, our savings have been drained away to produce prosperity elsewhere.

We would like to see freer international trade. We hope that the Kennedy round of negotiations under GATT will be highly successful. We want to see more and more economic and political co-operation among the nations of the world, and we should like to see the nations around the north Atlantic showing the way to co-operation.

But frankly, sir, we do not expect such moves to be so rapid as to free us soon from the disadvantages that pertain to our position at the extremity of Canada's national economic system. Consequently we were happy to see parliament recognize Canada's interest in the prosperity of the provinces by setting up the Atlantic development board and later by assigning funds to that board for its purposes. We are now elated that the board has set to work and is co-operating with the provinces in an exemplary way. It is co-operating with the municipalities, with the provinces and the federal government, and already it is producing results.

Mr. Coates: Will the hon. member permit a question?

Mr. Stewart: Yes.

Mr. Coates: Does the hon. member not have some concern about the state of the fund the Atlantic development board has available to it at the moment, and the fact that large sums are being paid out of what appears to be a small amount of money when you consider the over-all impact this board is supposed to have on the economy? And does he not think we should have increased the size of the fund to indicate to the people of the area that they have no need to worry about future development?

Mr. Stewart: In my view there is no question whatever but that the board should spend the money it was given, and spend it as rapidly and as efficiently as it can. I am quite sure that if the board comes back to this government and to this parliament, after having continued the record it so far has established, it will have no difficulty in acquiring more money to spend for useful purposes.

What I want to do now is simply to illustrate for the benefit of some of those members who do not come from the Atlantic area, the way in which the board has so far been useful. In December, 1962, speaking in this house, I mentioned a small town in my constituency, the town of Canso. This is a fine place, sir, with fine people. It is splendidly situated at the apex of a peninsula at the eastern end of the mainland of Nova Scotia. This peninsula protrudes out into the north Atlantic fishing grounds. When last I mentioned this town of Canso, the people were deeply discouraged. A great deal of money had been made there over the years in the fishery, but that money had been moved away to produce development elsewhere, and there had been little recapitalization locally. In fact the population had dropped by almost two thirds in the last 50 years.

However, during the last 16 months the picture has changed in Canso. An energetic company of competent fish processors has moved in; the provincial government of Nova Scotia has shown its willingness to co-operate; and the town of Canso has been willing to co-operate with the federal government. Consequently there is now planned there, the construction of what will be the most modern fish processing plant on the north American continent. In the meantime, the old plant is providing employment for the skilled workers of the community. Frankly, it is difficult to see how this would have been possible without the work of this board established by parliament, and without funds provided to that board by parliament. The future of this community has been assured. This shows what a board such as this, willing to co-operate with municipal, provincial and federal agencies, can accomplish when its members are determined to produce results. Now that a beginning has been made in Nova Scotia I confess we are anxious to see what will be done elsewhere.

In addition to the improvements in the fisheries which the Minister of Fisheries (Mr. Robichaud) is now planning in co-operation with the provincial fishery authorities,

our region needs the modernization of its agriculture and of its forestry. We also need the introduction of more secondary industries. In many parts of eastern Canada, forestry and agriculture go together; they are connected as the foundation of the local economy, and the appointment of a minister whose duties embrace both these fields was, I think, a progressive move, especially when that minister is also charged with responsibility for carrying out the ARDA program. Our own attitude toward the ARDA program is one of cautious hope. Our caution springs from fear that the program will be approached with a reluctance borne of indolence and timidity. Our hope rises from an idea of what could be accomplished by way of the rehabilitation and development of large areas of our countryside if plans were formed imaginatively and carried out with zeal and energy. We wish that this parliament would hasten to confirm the minister in his new duties, for strong leadership in this field is needed immediately. We also need his leadership in the establishment of an eastern feed grain board or agency.

Last year the Minister of Finance (Mr. Gordon), recognizing the need for secondary industries in provinces such as Nova Scotia, announced that tax incentives would be provided for new industry locating in designated areas. On March 16, 1964, he announced that the date by which an industry had to be in production in order to qualify for the incentives was to be changed from December 5, 1965, to April 1, 1967. That is a good step, but tax incentives only help to create a temporarily attractive economic climate; they are seldom enough to overcome the various inertial forces, some economic and some non-economic, which are drawing secondary industries toward the central part of Canada. British and European experience, as I mentioned in this house on December 10, 1962, has shown that specific assistance in various forms—the preparation of sites and facilities, capital grants to assist construction, and financial assistance during the settling-in period, can be most effective. I realize that many of these devices are not available to a federal minister of finance. Such measures can be initiated and are most likely to succeed in co-operation with provincial governments after a thorough but not too prolonged study of the resources available to maintain development. I should like to see the Atlantic development board encouraging secondary industry in Nova Scotia in these direct ways, in the closest co-operation with the provincial government of that province.

I suppose there will be squabbles occasionally about to whom the political credit for these activities should be given. However, I do not think the possibility of such squabbles, repulsive though they are, should deter us from taking this step if on other grounds it is desirable. We simply cannot afford to allow political pettiness to frustrate a program which is vital to the people of our region and, indirectly, to the entire nation to which the Atlantic area presents a special problem, as a result of its lack of economic development. I should hope that if this were acceptable to the province of Nova Scotia the board would seek authorization from this government to establish procedures allowing for direct co-operation with agencies of the province of Nova Scotia.

But even if our primary industries were flourishing and even if a score of new secondary industries were added, neither the prosperity nor the employment to which we aspire would result. A high division of labour in the provision of services as well as of goods is needed in Nova Scotia. Major population centres are needed, for it is only in such centres that a high proliferation of the service industries is possible. This means that new industrial developments should be planned and encouraged, not sporadically, but around natural or established centres, such as Halifax-Dartmouth, Mulgrave-Port Hawkesbury, and New Glasgow. Consequently, it would seem desirable to have Halifax-Dartmouth included just as soon as possible among the areas eligible for the various development incentives introduced by this government.

The necessary agencies for co-operation between the board and the various departments of the federal government are in existence. What is needed now is a vigorous and imaginative pooling of ideas and efforts between the Atlantic development board, the provincial government of Nova Scotia, the various municipalities and the various departments of this government.

So far, I have been inviting your attention, Mr. Speaker, to certain internal aspects of regional development in Atlantic Canada. I now wish to turn to the question of transportation, chiefly transportation between Atlantic Canada and the rest of the continent. It would be the height of folly to spend scores of millions of dollars encouraging secondary industry; it would be the height of folly to allow special tax incentives to new industries in this area, if those industries are to be choked off by transportation practices based on false notions masquerading as sound policy. We may assume that in the absence of some compelling reason, such as the location of natural resources, business in Canada will be drawn by savings in transportation and communication costs to the area roughly between Montreal and Windsor. This

does not mean we should forget our efforts to build up and maintain a transcontinental Canada any more than the difficulties imposed by the law of gravity mean we should not build and maintain houses. We must face this question of transportation and communication costs. If we are prepared to insist upon the result we must be prepared to pay the price. If we propose, as I assume we all do, to maintain a prosperous ocean-to-ocean economy, it is necessary for us to have something which we have not had recently or, perhaps, ever, namely a new and clearly enunciated transportation policy.

The "value of service" system of fixing freight rates, under which the value of the commodity to be carried is highly influential in determining the amount to be charged by the transportation company, permitted interregional subsidization in favour of the maritimes; but at the same time it encouraged maritime industry to concentrate on the supplying of raw materials rather than on the supplying of manufactured or processed goods. For this reason, among others, our small manufacturing industries, unable to compete on the larger Canadian market by reason of higher transportation costs, closed down; and here we are, three or four generations later, striving to repair that damage.

Moreover, between 1947 and the present we have ignored the unpleasant fact that we must pay the transportation costs of national existence. We have allowed the laws of transportation economics to hold greater and greater sway. As trucking competition grew in the central region of the country the railways were obliged to hold down freight rate increases there and to seek compensating revenues at the extremities of the country. Each permission to increase rates had a compounding effect at the extremities—what I like to call the "saucer" effect. The present situation is aptly described in the report of the MacPherson royal commission on transportation. At page 27 of the first volume the commissioners state:

> These inequities—

They are referring to the inequities in the railway freight structure:

> —are principally a result of the fact that the railways' competitive position relative to other carriers has declined and, as a consequence, they have been forced to obtain a greater relative share of the revenues they require from the traffic which is least affected by competition. And, since the position of the railways vis-à-vis their competitors seems to continue to decline with each passing year, the degree of inequity experienced by the traffic still tied to the rails continues to grow with each general increase in freight rates which the railways are permitted to apply. If such a process is allowed to continue the end results are dismal to contemplate; either railway rates will become so high that "captive" traffic cannot move at all or else competitors will inevitably arrive on the scene to relieve the "captives" from their bondage—in either case, a source of revenue upon which the railways are increasingly dependant will have disappeared and the railway financial position will have become completely untenable.

In this situation you will understand readily why moves to keep the St. Lawrence river open longer and longer each year, and thus to bypass the Atlantic ports, seem calculated to heap insult upon injury.

Hon. members must realize that transportation policies are as vitally important to the future of the Atlantic provinces now as they have ever been in the years of our confederation. In 1867 the prospect of plunging Nova Scotia into the bedevilled cauldron of Upper and Lower Canadian politics was far from enticing. We were able to accept the invitation because it was clearly understood that national policy, especially national policy on transportation, would make confederation economically viable for us. We have no desire to become an 18th century-style mercantile colony, a colony preserved as a market for Ontario and Quebec while at the same time developments in transportation promote, first, the shipment out of the province of raw materials rather than finished goods and, second, the bypassing of our ports.

We still have no desire to become an 18th century-style mercantile colony.

We applaud the decision of this government to look into the ways in which the ports of Saint John and Halifax can be modernized. We regard that as a good harbinger of the future.

We know that efforts are being made to bring tourists into the Atlantic provinces by developing attractions there, such as the great fortress at Louisburg and the establishment of a new national park in the western part of Nova Scotia. Efforts are being made in various ways to encourage manufacturing there. Obviously additional provision is now needed for rapid and ample transportation facilities for both tourists and trucks between western Nova Scotia and new England. This is one specific thing that should be done immediately. But, sir, we are hoping for more from this government.

Since 1927 the government of Canada has been paying the railways millions of dollars each year in an effort to discharge the obligations to the maritime provinces recognized by the Duncan royal commission and by the preamble to the Maritime Freight Rates Act. Surely, now that the railways have lost the monopolistic position they formerly enjoyed in many parts of the country, things are ripe for us to ascertain if these annual payments to the railways offer the way most beneficial to the maritime provinces for the discharge

of these obligations. These payments have been established in a statutory way and their validity is beyond doubt. What is not certain is that these payments should be paid directly to the railways, thus running the risk that they become a subsidy to the railways, rather than assistance to the shippers in the Atlantic provinces.

The present government already has begun to pay 90 per cent of the cost of completing the trans-Canada highway. I urge the government to remember its commitment, and here I quote directly from the pamphlet entitled, "A better break for the Atlantic provinces", to make available "financial assistance for building trunk highways in all four provinces to promote the tourist industry and provide better access to resources and markets". I think this is a commitment the discharge of which this government should undertake very soon; in fact, a beginning should be made this year. It would perhaps be a small beginning, but at least it would be a beginning.

In addition, I should like to see the government examine most seriously the possibility of obtaining permission from the appropriate United States authorities for the construction of an all-weather highway across the state of Maine to connect the Atlantic provinces with the eastern townships of Quebec, Montreal, and Ontario. The distance from Montreal to Moncton is, after all, only 400 miles; and the benefits from such a highway would be obvious. But there is a benefit which is not immediately obvious, and it is that it would introduce into the transportation situation in the Atlantic provinces a degree of competition such as is highly recommended by the MacPherson royal commission on transportation. I am not saying that this is something which inevitably should be done; I am saying that in this situation, where we need to review our transportation policy, it is something which should be considered and examined rapidly and thoroughly.

If unemployment is the major economic problem of the country, and if this has become a regional problem, then sir, the matters I have been putting before the house are of great concern. In 1867 Canada was joined by Nova Scotia very reluctantly, but we have overcome our reluctance and are now determined to do all we can to make Canada succeed economically, culturally and politically for the people of all its provinces. Our own economy is developing quite well. We are anxious to have it develop even better so that as the years go on we can make a greater and greater contribution to what we hope over the years will be a more and more perfect union.

[Mr. Stewart.]

Mr. Eric A. Winkler (Grey-Bruce): Mr. Speaker, I listened to the remarks of the hon. member for Antigonish-Guysborough (Mr. Stewart) and followed some of his remarks very carefully. In particular he referred to criticisms which had been made of the Liberal program, I imagine referring to members of the opposition, and described them as a red herring. Let me say at once that there were none who paraded before the country in the last campaign more consistently than the Liberal party, criticizing the previous government's financial administration. At this stage of the game, viewed in retrospect, and in view of what has transpired, this is regrettable, because now we find greater areas of spending. Although the deficit appears to have reduced, we find in actual fact it would not have been, if the payment of corporation tax had not been moved forward. But for that I venture to say the deficit would have been equally as great in the coming year as it ever was in the past, perhaps even greater.

However, the point I wish to make initially is not that, but rather to indicate the confusion which exists as a result of government policy since the Liberal party took office a year ago this month. I think the Minister of Labour (Mr. MacEachen) put his finger on the point this afternoon when, in answer to a question regarding the filing of applications for social security, he said there had been some confusion. He may not have actually used that word; he may have said "misunderstanding"; but this confusion has spread into three or four fields, such as into the teaching profession, into crown corporations, and so on. The present government are currently known more for this than or anything else. Let me say that the program of confusion which has existed since the government took office in April of last year is one which needs a little further investigation at this time, and I am glad to have this opportunity to bring these matters to the attention of the government, and particularly to the attention of the Minister of Finance (Mr. Gordon).

I should like to begin by giving the house a list of those areas in which I believe the government has mismanaged the affairs of the country, where they have caused confusion. In actual fact, in an age when we should be considering where the country as a whole is going it seems to me the government is unable to lift us, to give us leadership, or to give us direction in any of these fields.

First of all may I point to the present commission on bilingualism and biculturalism. With that I would couple the attitude

currently taken by the Canadian Broadcasting Corporation. Next is the situation which is being created in this country by this government owing to their proposed Canada pension plan. The third area, Mr. Speaker, concerns the redistribution of electoral boundaries. Another is government policy regarding veterans hospitals. Another is the situation regarding the flag we presently have for Canada. A further one concerns agricultural policy and the problems which exist within the country. Then there is the situation in the Department of Labour itself, which the government has brought about through its handling of the current dispute with the S.I.U. Another one concerns defence policy. For a government which has acted in the way it has and has spoken in the past in the way it has, the present policy of the government, although it may be desirable from the public's point of view, in restropect is a peculiar attitude for the government to take. Another area concerns unemployment insurance, and what has happened in this house during the past two weeks, to which I will be making further reference. Then recently there was the federal-provincial conference, and I draw attention to the relations which have existed since that time.

No doubt many hon. members in the house, even on the government side, could give me a longer list than the one I have just spelled out, Mr. Speaker, but I think that is enough for one contributor to this debate. To begin with—and again I refer to the transportation policies which were discussed by the previous speaker—I should like to make reference to something which was not in my mind previous to hearing the hon. member. I refer to the discussions which have taken place between the government and the industry which is most common in my constituency, the furniture industry. For the benefit of the hon. member for York-Scarborough (Mr. Moreau) we would probably be referred to as a rural constituency by most hon. members in this house. However, in the constituency of Grey-Bruce we have the largest centre for the manufacture of hard furniture in the Dominion of Canada. I know the government is thinking in terms of a reduction in tariffs in this field. This is an industry which is indigenous to the area in which it is currently located, and it would mean an end to that industry in Canada if this reduction took place. As a result of the situation which existed prior to the present government taking over the treasury benches, the people employed in that industry know only too well where their prosperity came from.

Before I proceed may I make a brief reference to some of the words used by the Minister of Finance at the time of the introduction of his budget. He said, as reported at page 969 of *Hansard*:

> All hon. members can take satisfaction from the improvement that has been occurring in economic conditions in Canada and from the optimism with which we can view the immediate future.

Those words would be true, Mr. Speaker, had he told us from whence and from what policies this outlook had emanated. It certainly did not result from anything which he presented to this house.

When I look back, Mr. Speaker, at his first budget and compare it with the one he has just brought down, it would seem that in 1963 he was trying to play the bad boy in the ball park and was saying: "If you won't let me bat I won't play". Then after he saw what could be done by his playmates in the field he threw his bat away and went home anyway. He has thrown out every policy he intended to bring into the house, except for one or two, such as the imposition of sales tax on building materials; and it would have been a lot better for him had he thrown that one out as well. Then this year, 1964, the Minister of Finance came in looking as though he had the world in his hands and made a very lengthy budget speech with what seemed a full bag that evening; but when the evening was over there was nothing there. It was full of hot air, and I think the country received it in exactly the same fashion. We are now in the second year of Liberal administration and all we find is the addition of confusion, to which I made initial reference in opening my remarks.

I also think of the introduction of his budget this year, which leads me to believe from my knowledge of the circumstances that this is the complete and total cause for the situation which has existed in this house over the last two weeks. As I said before, I shall be making further reference to this matter in due course.

If I may quote again from the remarks of the Minister of Finance in introducing his budget this year, he continued with these words:

> The deficit in our current account balance of payments with other countries is still too large but it is smaller than it has been since 1954. The prospects for the current year are good;

Then later he said this:

> Employment, production and incomes should all be substantially higher than last year for the country as a whole.

Then further:

> It was necessary to move quickly on a number of fronts, and understandably some of the proposals that were put forward were questioned at the time.

I would say that almost every proposal that was put forward was questioned at that time. Then he went on:

> It is now clear, however, that the main policy changes proposed last spring and summer have paid off well and will continue to pay off in the months and years ahead.

I do not know that the Minister of Finance at any time ever gave credit to the previous administration. He may have, but certainly in the tenor of his address to the house that evening he indicated to the country that any progress made was due to the policies which he and his government brought forward. Nothing could be further from the truth.

All that the Liberal representatives, who were sent to my constituency prior to the last election campaign, complained about was the financial problems we had in the country. In contrast, I wonder what the Minister of Finance and his colleagues would say this year. We have been assured that there is not going to be an election this year, and that is news after the interesting things which have transpired during the last few days. In fact I noticed a very large number of prominent persons of the Liberal party in town today, and they did not know themselves why they were here. That in itself may not mean anything, but it indicates what was suggested as having transpired last week may have been true.

As I was saying, Mr. Speaker, representatives of the minister's party came into my constituency during the 1963 campaign, and prior to it, criticizing me and the administration I represented for its financial and agricultural policies. I doubt if they would go back to my constituency today and say the same things because the results of their policies are too well known.

Some hon. members opposite speak of "this government" and "that government". I still say this is our government, and nothing has been done by our government in 1964 for the agricultural industry in central Canada. Nothing has been done for the province of Ontario.

What happened to commodity prices after the 1963 April election? Ask the farmers. They know what transpired. With regard to deficit financing, it is well known that the previous administration would not have had budget deficit in some periods had it not given increased grants to the provinces. But that is not the way the Liberals painted the picture for the people. Their deportment was one of conceit, which is a regrettable thing when they propose a program to the people of Canada.

An hon. Member: Political fraud.

[Mr. Winkler.]

Mr. Winkler: Yes, political fraud. Dealing with what transpired in the house during the last two weeks it is certainly peculiar that the government, and in certain instances much of the press, were very critical of the way we acted. I have here two motions which I might quote, but for the sake of brevity I will not. They deal with the same question of unemployment insurance and show that the former administration acted reasonably in looking after the situation. Nothing like what happened last week would or did occur at the time the Conservative party, under its present leader, formed the government.

The people are well aware of this. They are well aware where the blame lies for what happened in the last few weeks, and there is one very interesting observation that I would like to quote:

> I suppose this is neither the time nor the place to discuss the reasons for what I might call the mess in which the whole of parliament is at the present time. Whether it is due to the intellectual or political amateurism of one, or the stupid obstinacy of the other, or the blatant opportunism of any other party.

Maybe the rules of debate do not permit us to read speeches made in the other place, but that statement was made in the other place by a supporter of the party that forms the government. What happened in the last two weeks was a shame, and a mark on the parliament of Canada. It showed the inability of the present government to manage its own affairs.

One can quote all sorts of editorials to support the view that I am taking, but in fact I place the blame on the Minister of Finance. I believe he wanted his budget hurriedly dealt with, before he went to the conference in Quebec city, so that there he could say there was nothing more to be discussed in that regard. All that remained then would have been the Canada pension plan. He could have told the provinces the federal government could not make a greater contribution to their needs, and that would have been the end of that.

But realizing at the end of the fourth day of the budget debate that there was no time to finish it and get the other business through before Easter, the Minister of Finance acceded to the wishes of others in his party and we went on to deal with interim supply and the supplementary estimates. At this stage I do not think it is necessary for me to quote the Prime Minister, but we took him at his word when he outlined the business that had to be done before the Easter recess.

On April 1 I put a question to the Minister of Labour, which he finally answered, saying that he was aware of the crisis in the unemployment insurance fund prior to the Easter

week end. I am not making any of these comments just to say I wanted to have Easter week off, because I was one of those who were here during the course of that week. On April 3 I asked the Minister of Finance if he was aware of the crisis in the fund, and after some lecturing he said he was also.

Since that time the Minister of Labour has seen fit to lecture us on what should and should not be our duties. He took a very arrogant Liberal party view of our duties and said it was our duty to look for this information, suggesting we were delinquent in our homework by not getting the information which we sought from him. The attitude of the Minister of Finance was exactly the same. Obviously, therefore, the whole crisis that existed was due to the introduction of the budget and the failure of the government to realize the seriousness of the situation. The government could have borrowed the money for the fund up until midnight of the Tuesday of the following week, but it did not see fit to do so after it felt it had the opposition in a position of prejudice and that it could arrogantly force its views on them.

We would have failed in our basic duty to the people of Canada if we had acquiesced in the desire of the treasury benches at that time. We did not then, and we never will, particularly if they try to crowd us into accepting these things. How else could we have found out the seriousness of the situation with regard to the unemployment insurance fund? Any blame for that situation must be placed on the shoulders of those occupying the treasury benches.

I have one editorial here from the Winnipeg *Free Press*, a newspaper that is not always, if ever, too friendly to the party on this side of the house, and the editorial is in support of the statement made by the hon. gentleman in the other place. Whether it was right or wrong let us not try to pull any nonsense in this house by saying it was the responsibility of the opposition. It is a very sorry thing when supporters of the Liberal party go around, trying to create the impression among the people of Canada that we have spent a long time on the supplementary estimates when they, while in opposition, spent a total of 26½ days on supplementary estimates, eight of them devoted to the Department of Labour.

With regard to the budget, the point that is most often brought to my attention when I visit my constituency is the adamant view of the Minister of Finance in continuing and increasing the sales tax on building materials. Because of this tax the farmer is caught in a squeeze from which he cannot escape. Even in the case of minor repairs he has to pay this tax, and this despite the fact that his monetary return from the commodities he produces is so low.

Again I return to one of the points I mentioned, namely defence policy. I cannot deny that there is a measure of agreement throughout the country in regard to some of the ideas being proposed. We must not always look back, Mr. Speaker; there is no question but that we have to look forward. However, in retrospect I find it a most peculiar thing that the Liberal party should use the tactics it did with the armed services during the last election campaign and then turn around and introduce the policy it has now introduced.

The Prime Minister has said that the Liberals are not interested in going to the country. He knows full well that the reason lies in the results of the policies they have introduced. As I go down the list of items it is a list of total confusion and badly prepared legislation so far as Canada is concerned.

I should like to deal with a point with regard to which I believe the government can take immediate action, to repair some of the damage that has been done. I refer to their so-called efforts in the field of biculturalism, and I make these remarks without any reference whatsoever to our friends and fellow citizens in the province of Quebec. I have in my hand an article from the Winnipeg *Tribune* of Saturday, April 4, 1964, dealing with a speech made by the Minister of Veterans Affairs (Mr. Teillet) to his constituents, I imagine. He had this to say in western Canada:

> If Quebec leaves confederation western Canada will be forced to its knees, begging for help and aid from Washington.

I ask you, Mr. Speaker, what degree of unity is there in words like those uttered by a minister of the government on the treasury benches? What can they expect? They say to us that we have to make greater efforts. Who is causing the dissension? Who is causing the situation that exists? It is my humble opinion that if the commission at present touring the country had never been formed the confusion that exists today would not have occurred.

I believe too that when the government thinks over things that have happened in the past they must have some soul searching moments when they wonder what on earth they have created in this parliament. I am referring now, Mr. Speaker, to the present situation in regard to the Canada pension plan and what has transpired. I believe that the pressure that has been exerted by the government on the province of Ontario is

most unfair. It seems to me that the premier of Ontario has now made a study of the entire situation. He has voiced his opinions on several occasions and he now seems to favour the plan that has been outlined in the province of Quebec, an outline that I have here. But first, Mr. Speaker, let me refer to some words taken from the report of the 1950 joint committee on old age security. I find the following on page 107 of that report:

The committee further believes that such a program—

A social security program.

—can be financed and administered satisfactorily only by the federal government. Only the federal authority can establish a sufficiently broad base of contributions to make such a program possible, and only the federal authorities can ensure that an individual will receive the benefit to which he has contributed, regardless of whether he moves from one province to another.

It is a peculiar situation, Mr. Speaker, when we examine what has taken place up to the present time. I should like to refer to an article which appeared in the Montreal *Gazette* which quotes the premier of the province of Quebec as saying that there is "no possibility" of Quebec entering the national plan. The articles goes on to say that Mr. Lesage was adamant in his position with regard to the federal project.

If that is the case today, what has caused the change of heart? The reason must be nothing more than sheer politics. The government likes to accuse us of introducing politics into the house from time to time, but you can see that they are at it almost all the time. Even back as far as 1950 they started to play politics with this matter and if I had been able to do more research and examine the records further I am sure I would have found other instances.

That being the case, I find the situation most peculiar when I look back to 1957 when the change of government took place, and when I refer to the attacks that were made on the leadership of the party that formed the government then. It is a peculiar thing how all this has taken place. There were names then that were important in this particular field such as Laporte, Levesque and Laurendeau. Those names were known then, as well as the attitudes they adopted and the positions they took. But now that they are in hallowed places we must not say anything. We cannot say anything about this matter. But I say to hon. members that if the Quebec Liberals want to adopt a certain attitude in the province of Quebec and to segregate themselves from the Liberal party nationally I do not blame them. It is a strange thing that the Prime Minister cannot maintain any degree of cohesion or unity within his own party at the federal level; and if he cannot do that, how does he think he can maintain cohesion and unity throughout the nation? I do not know how it can be done. It is a very peculiar situation.

This is not the only incident. From 1957 on there were all sorts of other incidents in which the party across the floor was most efficient in attacking people's characters.

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

Mr. Winkler: Certainly.

Mr. Moreau: Would the hon. member not agree that, no matter what happens, so far as the pension plan is concerned it was this government's initiative that forced Premier Robarts into a public plan?

Mr. Winkler: Mr. Speaker, this is the sort of statement we can expect from one who cannot cash a government cheque in his own constituency. That is all I have to say. As a matter of fact, when the Minister of Finance (Mr. Gordon) is spending money as though it was going out of style I would be ashamed to stand up in the House of Commons and say I cannot cash a cheque in my own constituency. Certainly the Minister of Finance has got more than he needs and I believe he might have ripped up the cheque and given the hon. member the money anyway. However, that is behind us.

The suggestion I wish to make at this point is simply this. I do not believe for one minute what was said by the hon. member for York-Scarborough (Mr. Moreau), because in the discussion on redistribution I think he showed he did not have a clear understanding of what the situation is in Canada. He talked about rural tyranny. Let me tell you this, Mr. Speaker. If the government places the tolerance figure at less than 33⅓ per cent it will add to the confusion with regard to the things I have mentioned this afternoon and cause more confusion in the country and, no matter when the Prime Minister calls the election, they will not be in office after it is over. Of that I am very sure.

Because the hon. member has referred to the premier of Ontario I am going to say this in concluding my remarks. It seems to me that a more thorough study has been made in other quarters than has been made by the federal government with regard to pensions for Canadians. What about the farmers? The farmers are concerned; they are turning against the government because not only do they not understand the situation but they are coming to believe it is going to cost them more for less. There are so many people who will not be covered by the federal plan that many people who have plans of their own

in industrial plants want no part of the federal plan. This is the truth, Mr. Speaker. I am not deceiving anyone.

Our position is clear. The former minister of national health and welfare has made it clear. We want a plan and are going to support a plan but we do not think this plan is good enough. Mr. Lesage has brought forth a plan that is clear. I have it right here. There are survivor benefits, disability benefits and many other benefits plus a higher cash return, although the premium may be a little larger.

It has been proven actuarially that the premium will be higher also for the federal plan. I believe that if the Prime Minister (Mr. Pearson) and the government want to do one thing, and do it immediately and quickly, to cause some degree of unity in Canada, they should consider reconvening the provincial premiers conference, study Mr. Lesage's plan and adopt it. Then they could invite these provinces to join us in a plan that will be at least national in scope.

Mr. Andrew Brewin (Greenwood): I should like to take advantage of the latitude afforded in this debate to raise briefly two subjects which are not directly related to the budget introduced by the Minister of Finance (Mr. Gordon). My first observation, Mr. Speaker, is that I dissent vigorously from the remarks made in this chamber last Friday by the hon. member for Skeena (Mr. Howard). I am sorry he is not here. I have told him that I propose to discuss his remarks, but apparently he cannot be here at the moment. He said, during the debate on Friday, that the remainder of Canada should give up trying to meet what he described as the insatiable demands of Quebec and should proceed on the assumption that Canada will consist of nine provinces. The hon. member in these remarks spoke for himself. I have no doubt he will find some people who will agree with him but I, for one, wish to repudiate such a defeatist view.

I believe, and I think there are many others who are not French Canadians who will continue to believe that we should give serious and sympathetic consideration to the genuine grievances of French Canada within confederation. I believe also, and I think there are many French Canadians who will agree with me on this, that concessions to provincial demands, from whatever source they come, should not go so far as to destroy the power of the federal government to give effective leadership in matters affecting Canada as a whole. I cite for example such things as full employment, opportunity for economic growth across Canada, and so on. We know that reconciliation of these two conflicting aims may not be easy, but it must be achieved.

I do not believe that with the present difficulties of confederation, observations such as those made by the hon. member for Skeena are helpful, however sincere they may be, or however much they may reflect some existing attitudes throughout Canada. In my view the members of all parties, from wherever they come in Canada, have a duty to interpret to the people of our country the spirit of compromise and conciliation upon which Canada was built. This spirit is still necessary today if Canada is going forward as a genuine partnership between the two founding nations. I believe we have a duty of interpretation to those Canadians who are neither French speaking nor English speaking, and who sometimes find it difficult to understand the historic realities upon which Canada was built.

[*Translation*]

Mr. Speaker, I thought I would underscore these few words by repeating them in French. But my knowledge of French is limited. I know that my French colleagues understand me very well when I speak English, so I will refrain. However, I would like to reassure them, and those whom they represent of the sincerity and the good faith, of the majority of the Canadian people, and of their determination to do everything in their power to understand and satisfy their grievances.

[*Text*]

My colleague, the hon. member for Winnipeg North Centre (Mr. Knowles), asks what contribution my French is to the unity of Canada. All I can say is, at least it is an effort.

I should like now to say something about this parliament. I believe there is a general impression that parliament is floundering, and such an impression does harm to every party represented here and to parliamentary democracy itself. I believe the situation is urgent. Some of the difficulties are those of procedure and I hope that the special committee, under your chairmanship, sir, will be able soon to recommend some radical and effective changes. In the meantime I suggest that the Prime Minister and leaders of the other parties should get together and evolve a plan for the early and effective dispatch of the business of this house before the summer recess.

This suggestion is by no means original. I noticed it, for example, in the columns of my hon. friend, the hon. member for Port Arthur (Mr. Fisher). If some temporary alteration of the rules is necessary, and could

be made, as I believe it could, without interfering with the basic rights of members, then I think the house would be willing to give favourable consideration to it.

It looks to me, Mr. Speaker, as though it is getting close to five o'clock.

Mr. Deputy Speaker: It being five o'clock, the house will now proceed to a consideration of private members' business as listed on today's order paper, namely notices of motions.

HOUSE OF COMMONS

SUGGESTED BROADCASTING OF PROCEEDINGS

Mr. Andrew Brewin (Greenwood) moved:

That a special committee of the house be appointed to consider and make recommendations on a system of televising and radio broadcasting of the proceedings or part of the proceedings of this house.

He said: It was by chance, Mr. Speaker, and not by design that I find myself addressing the house, as it were, in sections or in instalments and on different subjects. The motion before the house, which I am bringing forward, provides for the appointment of a special committee to make recommendations on a system for televising and radio broadcasting of the proceedings or part of the proceedings of this house. The purpose of this suggestion is to improve the procedure of the house and also to use the best means of bringing to the public the proceedings in the house.

Parliament has been described as the paramount forum of the nation. I suggest that all interested citizens should have an opportunity to see and to hear what is done in their name by their representatives. I further suggest that television and radio are the best means of carrying out this objective. This house is not a private club or debating society. This is the forum in which the great issues affecting the country are discussed, or at least should be discussed by the men and women elected to do so. The original meaning of the word "forum" was "marketplace". Who would suggest that a marketplace should not be as open to the public as possible?

There has been a tendency, Mr. Speaker, in recent days to deride parliament. Just about a year ago Mr. Charles Pannell, member for Leeds West in the British House of Commons, pointed out: "It is not a new fashion to deride parliament. It has all been done before, and done better". During one of his speeches, Mr. Pannell gave some illustrations of his point. On August 4, 1661, Mr. Pepys, in his diary, recorded how an acquaintance said to him:

How basely things have been carried on in parliament by the young men that did labour to oppose all things that were moved by serious men —that they are the most profane, swearing fellows that ever he heard in his life, which makes him think they will spoil all and bring things into a war again if they can.

Charles Dickens, the well known writer and observer in the press gallery—I probably do not need to explain who he is—decried parliament in these words:

The great dust heap of Westminster...laughing, coughing, oh-ing, groaning, a conglomeration of noise and confusion to be met with in no other place in existence, not excepting Smithfield on a market day or a cockpit in all its glory.

In 1830, the essayist Hazlitt wrote this:

Talk of mobs. See how few who have distinguished themselves in the House of Commons have ever done anything else.

Robert Louis Stevenson said: "We all know what parliament is and we are ashamed of it." And Carlyle asked:

How is it possible to believe, much less to think, that in the Commons is rooted the strength of England, and not its weakness?

At the present time in Britain a group of Conservatives are circulating a paper under the ominous title, "Change or Decay". As Mr. Pannell said, it is a sort of legend that parliament has been a noble institution which has fallen into decay. Nevertheless, in his view, parliament today is more sober than ever it was. Generally, he says, we are not lesser men than our grandfathers were.

I do not know whether these encouraging words, which are applied to the United Kingdom House of Commons, the mother of parliaments, are equally applicable to the Canadian parliament, but I do suggest that much of the deploring being done about the Canadian parliament today is vastly exaggerated. However, this is not a ground for complacency and whatever can be done to improve parliament and bring it closer to the people, should be done. I expressed earlier, in another context, the hope that the special committee will report at an early date, and that its report will be vigorous and radical with regard to what needs to be done to improve parliament.

The suggestion I make in this resolution is one of a number of reforms which could be achieved. I do not suggest for a moment that it is the most urgent, but I think it should be considered by the special committee. I suggest that the televising and radio broadcasting of the sessions of this house would have beneficial effects both on the conduct of debate and, if I may use an over-worked expression, upon the image of parliament. Nor should hon. members be frightened by the novelty of my suggestion. There are always "stick-in-the-muds" who object to

anything new, and quite a few of them seem to find their way into various parliaments. Proposals similar to mine are being discussed at the present time in the British House of Commons. I should like to refer to the views on this matter of three of its members, one from each of the three historic parties in Britain. First, I should like to quote Mr. Iain Macleod, speaking in a debate on parliamentary reform on March 15, 1963. Mr. Macleod was at that time leader of the house, although I think he has since fallen into some disgrace with the Conservative party after having objected to the mysterious processes by which the present prime minister was chosen. Mr. Macleod, speaking of the proposal to televise sessions of the house, said:

> I do not think we should be too afraid of this. I remember very well two instances, one of enormous importance and one of much less importance, where I believe that before the event people were afraid of the impact of television. The one of the greatest importance of all was the coronation of Her Majesty the Queen. Many people were deeply worried and desperately anxious about it and thought that it was wrong that television cameras should go into Westminster abbey. In fact it was one of the finest programs that has ever been put on and one of the greatest services that could possibly have been given to the royal family. The other incident I have in mind was a question about which very many people were worried—the televising of party conferences. Many people thought that we should all end up speaking exclusively to the television cameras. As we know, this does not happen.

When a Mr. Curran intervened to suggest there would be certain mechanical difficulties, Mr. Macleod replied:

> I am certain that these arguments are formidable, but they are also not insuperable.

The next objection, raised by a Mrs. Judith Hart, was that the selectivity which would result from an edited version of proceedings in the house would do damage to the quality of speeches. Mr. Macleod replied:

> It is possible, but one has exactly this difficulty with the sort of programs that exist already and which inevitably compress the events, as in the newspapers and on sound radio.

Perhaps I may turn now to the observations of Mr. Grimmond, the leader of the Liberal party in Great Britain—I hope that by referring to him I will secure some support from hon. members opposite. In the same debate, he said this:

> The press, the B.B.C. and television keep democracy ticking over and once the press ceases to report the House of Commons, democracy will suffer. Every day the main headlines in the press are about things raised in the House of Commons and, much as we complain about the press, and I do, do not let us delude ourselves, the press is a vital part of democracy and this is one reason why I have changed my views on television. I used to be against the idea of televising the House of Commons, but it is an essential function of the house to raise issues and get them across to the public.

That is the real point of what I am saying. But perhaps the most vigorous exponent of television in the British House of Commons is Mr. Anthony Wedgwood Benn of the Labour party. Mr. Benn, as most of the members of this house know, was a distinguished commoner who inherited a title and was subsequently the subject matter, one might say, of legislation which enabled him to step down from the House of Peers and revert to the rank of commoner. In this he blazed a path for the present Prime Minister, Sir Alec Home—is it pronounced "Hume"? I am not sure.

As reported in the Manchester *Guardian* of March 21, 1963, Mr. Benn has this to say:

> The time has now come to launch a campaign to televise the House of Commons. For how much longer are we going to have to put up with getting our parliamentary reporting by courtesy of the popular press and the self appointed television commentators? Why can't the cameras come to Westminster and show us as we are?
>
> The House of Commons is the grand forum of the nation or nothing at all. Here, government policies must be deployed and criticised; here, the opposition must reveal and defend its alternative in broad outline; here, those who exercise power must be held accountable for the use they make of it to backbenchers of all parties; here the quality of men and women is continuously assessed by colleagues who know them intimately and who see how they react to stress and defeat as well as how they take their moments of glory.
>
> The M.P.s who carry weight and are respected for their knowledge and integrity are not by any means always the same ones as those who shine in the contrived four-minute knockabout beloved by the television producers.
>
> If the House of Commons let in the cameras, people would see us, warts and all. They might not like us all the time, but parliamentary debate is a substitute for civil war and they would more likely share our moments of passion than mock us for showing them. At any rate, they would be judging us by what we are and not what others, for their own purposes want to make us out to be.
>
> Why, then, is the Commons not televised? Because many members—and this is more a matter of age than political affiliation—fear some loss of dignity and intimacy, and visualize nightmarish arc lights and even make-up and the heady atmosphere of party conferences. In truth the cameras would soon be forgotten once they were installed. Few younger M.P.s on all sides are impressed by these objections and for them the television lens holds out no more horror—or promise—than the sight of a journalist, pencil in hand, at a political meeting.
>
> Televising parliament will, of course, come in time. The question really is, why not now, when it could do some real good? If there is to be a break-through it has got to be made an issue and not discussed interminably.

I heartily endorse the words of Mr. Benn and commend them to the members of this house. Of course there are objections. Some of them have already been mentioned and disposed of in the quotation from what Mr.

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Iain Macleod said. I had occasion to discuss this matter of television with the hon. member for Edmonton West (Mr. Lambert), who raised, amongst other objections, the fact that members would, as he put it, "posture" when they were on television in the house. I cannot see the force of this objection. Is it not the essence of being part of a public forum that we are required to posture to some extent? Surely we cannot expect in this public forum to have the pleasantness of privacy as in a club, where we can snooze comfortably or chat intimately with our friends. It may be objected that some of our member are more photogenic than others. This is, of course, inevitable, but I cannot think that most of the members of this house need have any misgivings on this score. Each of us no doubt has his own individual type of charm which at least some of our friends and constituents will appreciate if they see us on television. I do not forget, and I remind the house, that the downfall of Senator Joe McCarthy was credited to television, as was the election of the late President Kennedy. I hope I will not be thought to be interfering in any way with or making improper remarks about the politics of another country, but I think those events can be credited to television, and I think they were all to the good.

All in all, it is my guess that if we were televised we would tend to behave a little better, rather than a little worse, if we knew that we might find ourselves revealed, warts and all, to the candid camera, reproducing our contributions to parliament in the private homes of people across Canada.

Finally, Mr. Speaker, I suggest that the televising of parliament would be a contribution to Canadian unity. Instead of centring their attention upon local heroes, the people of Canada would have the opportunity to get to know the great men of other provinces and regions; we would perhaps be able to develop a sense that parliament spoke for all the people of Canada, instead of being merely the exponent of local and regional problems. I admit that there are technical problems and that the experiment would certainly not be successful if undue selectivity meant that a special show was put on by a few chosen individuals at the time selected for television. But surely, if the opportunity is provided, these objections can be dealt with. Nothing would ever be done and no change ever made if we were to concentrate our minds on the objections alone. Mr. Speaker, I conclude by asking the house to take this motion seriously. I think by adopting it—it cannot come about right away—it would contribute to that much needed development, the interest of the people of Canada in parliament, and the renewal of the basic function of parliament as the grand forum of the nation.

[*Translation*]

Mr. Jean Berger (Montmagny-L'Islet): Mr. Speaker, to follow up the explanations the hon. member for Greenwood (Mr. Brewin) has just given about his motion and to which I listened very attentively not to say religiously, I must tell you very sincerely that, since I read that motion, I have been both amused and interested by that suggestion, and you can no doubt guess why.

I had already noticed—with all the sense of humour I can muster and the few notions I have in this field—that, curiously enough, whereas I personally put an end to almost 16 years of work in radio, television and journalism to devote myself actively to politics, a few hon. members in this house, on the contrary, took advantage of their entrance into active politics to become on a regular basis, journalists, radio commentators and television moderators.

I have no wish to discuss here their personal merit, their success or lack of success, far from it, because I know from experience that they have assumed a very hard job, a very heavy task, considering all the work required of a responsible member of this house who must above all have that important qualification of attendance with regard to the sittings of the house, and the committees, not to mention his own personal work, in order to give his constituents a good and fair representation.

Now the hon. member for Greenwood—no doubt, in order to facilitate and reconcile those twofold responsibilities—seems to suggest an agreeable and practical way of discharging those responsibilities, by enabling hon. members to do all that without leaving the house. It is a gallant gesture with regard to all of us, I admit, but I seriously wonder whether introducing such a system of radio or T.V. broadcasting of part of our proceedings would really help "equally" all hon. members and bring about anything really desirable for the Canadian people.

When I refer to some of our sittings, you will agree with me, Mr. Speaker, that the true and earnest spirit of hard work which should prevail in our proceedings would be seriously questioned, and rightly so, by the listeners or viewers. Of course, this might be a good thing, if we were sure it would bring a marked improvement in our proceedings and the quality of our discussions, but it must be admitted that it would take a bold man to say so.

Several factors play a part in radio programs, and still more in television programs. For instance, the tone of voice, the delivery of the speech, the quality and correctness of the language, the right clothes, the posture or the poise of the participant, his better profile and also, Mr. Speaker, and not the the least, the "gesture" which is most important on television.

You may be sure, Mr. Speaker, that we would certainly get our money's worth just watching the gestures which the hon. members of this house would be making on television. There we would have bellicose gestures which might serve the cause of separatism, or gestures worthy of the top-ranking heroes in westerns, when they start pitching lead all over the place, or the eloquent, grandiose gestures of the great Shakespearian or Racinian actors of yore, not to mention in some cases the frantic arm-waving, *Allegro con vivace,* remindful of that grand maestro, Leopold Stokowski, leading his musicians in Richard Wagner's *Die Walkure.*

See where that might lead us. Considering those remarks, Mr. Speaker, you can anticipate all the sittings and rehearsals we would be compelled to make in order to give Canadian views a dignified and commendable show.

Then there would be all the people looking after management, lighting, props, make-up, and all those technicians in charge of sound or picture, to name but a few. However, there is in all that a practical aspect which I ought to mention: it would be a great step forward in fighting unemployment, by doubling the staff of the companies which would be in charge of these gigantic productions. Unfortunately our Minister of Finance (Mr. Gordon) who is not here, but who has so much to do, would certainly not be pleased with this new financial charge added to his budget already so heavily burdened.

In my opinion, however, there are more serious reasons not to pass such a measure, at least for the time being.

Many people, including myself, are of the opinion that our Canadian television is sick at the present time. The diagnoses of experts in this field are coming to us from all over Canada, so much so that several fact-finding committees are now being set up.

There are newspaper reports to that effect, as shown by these excerpts from *Le Droit* of Ottawa, for April 7:

A special committee on broadcasting is to be set up soon in Ottawa.

Indeed the Secretary of State (Mr. Lamontagne) stated:

—that the federal government proposes to appoint a special committee on broadcasting in order to put an end to uncertainties in this field in Canada.

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At the meeting of the Canadian association of broadcasters, the minister indicated that federal authorities will soon reveal some details with regard to the future committee.

As the minister responsible to parliament for broadcasting, Mr. Lamontagne remarked that the major problem for broadcasters probably was the lack of clearness and the weak points of the Broadcasting Act which was enacted in 1958.

There is some confusion with regard to the objectives of private and public radio broadcasting in Canada, with regard to relations between the C.B.C., and private stations, with regard to the powers of the C.B.C. and the B.B.G. and also with regard to television.

And he added:

It is necessary to find some solution to those problems, and it obviously depends on the kind of broadcasting desired in Canada.

And the article in *Le Droit* further says in respect of the statements of the Secretary of State:

He indicated, moreover, that according to the federal government the financial administration of the C.B.C. should be carefully examined. It would also be useful to scrutinize the conclusions of an internal committee of the C.B.C., which, at this time, is studying the recommendations of the Glassco commission with regard to the Canadian Broadcasting Corporation.

Before broadcasting the proceedings of the house, we should deal with the deficiencies of our television and radio broadcasting system. Besides, it is not only a Canadian problem, because in the same newspaper, I saw on the same problem, another article entitled:

"Pontifical commission on modern communication media."

In that article, we read this:

The Pope announced today the setting up of a pontifical commission which will have the responsibility of developing a code of relations between the Catholic church and modern communication media: press, radio, television, movies.

The commission, staffed by experts on communication media, will draft "pastoral instructions"—

Of course, because this concerns the Pope.

—which will have to be submitted to the Pope's approval. Those instructions are designed to embody the recommendations adopted last year on that matter by the Ecumenical Council.

And now, the interesting point:

In announcing the setting up of that commission, the Holy Father pointed out that communication media "bring forth, at this time, problems so important that they affect not only culture, civilization and public morals, but also religion.

That is why I feel that we must watch very carefully what we are able to offer our audience.

Consequently, for the abovementioned reasons, especially to be short but also for other reasons which I do not have time to state now, I sincerely think that this notice of motion is premature. This is why I believe

that we should defer such a study to a later date or if it is preferred, until such a committee is set up. We have, I believe, more work than we can cope with at the present time, and at the snail's pace we are proceeding, which is the usual speed of our debates, not to say that it is characteristic, I unfortunately feel that the motion of the hon. member for Greenwood, no matter how commendable and well-meaning it may be in several aspects, unfortunately runs the risk of being indefinitely put off, and I am sorry about it.

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, just a few words to congratulate the hon. member for Greenwood (Mr. Brewin) for having introduced this motion.

I believe it would be worthwhile to form a committee of the house to see if it would be possible to try an experiment, first with radio, and then, later on, with television.

I believe there is no point in concealing things; we are elected by the people and we should not be ashamed to broadcast the proceedings of the house on radio or television.

I think it would be in the public interest, Mr. Speaker, since the public could see the behaviour of the members in the house and hear the answers given by the government when members of the opposition, or even government members, ask questions, and it could also find out about the attendance of the members, especially when a vote is taken.

It seems to me it would be important that the Canadian people learn, through radio and television, which members are present in the house or absent from it, which are those who take part in the debates and those who do not.

In my opinion, it would be in the public interest that all this be made known.

I appreciated the statements from the hon. member for Montmagny-L'Islet (Mr. Berger). By the way, I may say his constituents would have liked to see him on television, had this sitting been televised, because he had the proper gesture, the proper voice, everything. Finally, it could be seen he has great experience in that field, since he worked for a long time on radio or television.

If only for the sole purpose of compelling members of the House of Commons who are paid $18,000 per year to attend the sittings of the house, I believe that the motion of the hon. member would be most useful not only to the Canadian people but also to the members themselves. Thanks to these media of direct communication, radio and television, the people would then be in a position to decide at election time, whether or not the absentee member should be returned to the house. Or this would prompt members to resign automatically and to abstain from running for office in the next election, to be replaced by some active member who would always be present in the House of Commons to look after the interest of the Canadian people.

[*Text*]

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, the proposal put forward today by the hon. member for Greenwood (Mr. Brewin) is an interesting one in many respects. I should like to congratulate him for raising nearly every one of the objections which I had to televising part of the proceedings of this house and for giving his opinion as to how to deal with these objections.

I agree that there is a great need for a better appreciation of the activities of parliament by the general public of Canada. I say that because we have seen consistently reports in the press, which have to do their job in the best way they see fit, dealing for example, with want of confidence motions, in which reports certain members are accused of voting against the terms of the motion, whether it concerns sales tax, family allowances, medicare, or what-have-you, when the members concerned and even the mover of the want of confidence motion know very well that the only result which would eventuate from support of the motion would be to dissolve parliament.

That is just one example, but there are other matters which go on on parliament hill involving the activities of members of which the general public understand very little. For example, a lot has been said about attendance of members in this house. I think it is incorrect to presume that the members who spend the greatest number of hours sitting in their seats in this house are in fact doing the best jobs for their constituencies and for Canada.

I say that because, for example, all hon. members of the house specialize in one field or another. They may specialize in more than one department, but they certainly do not try to become experts in the whole spectrum of federal government administration. If my speciality happened to be agriculture, fisheries or forestry, and if I spent my whole time sitting in the house and did not prepare myself for the debates on these subjects, I could not really make a very valuable contribution to them.

As I said, there is a great need for the people to be better informed. But I am not sure whether this can be done by televising some of the proceedings of the house—although I have no objection to the setting up of a committee to look into the matter, and to see if it would be possible to do it on a trial basis. However, we will immediately

run into the problem of how much of the proceedings should be televised. In this connection, if it reaches that stage, I suggest the question period so that there would be a larger number of performers at any given time.

Mr. Woolliams: Do you think it is a good idea to have performers?

Mr. Olson: That is exactly what it is going to turn out to be. People will give a great deal of consideration to the deportment they will project when the television cameras are running. Perhaps that may be overcome in time, but I believe it will deteriorate into performances.

Then there is the other side of the coin. Our government and our parliament are something like our stomachs. Between elections they probably function best when you are least aware of their being there. Certainly between elections you do have to make some decisions that may not be popular. This applies to functions of government, of business, and even in one's own private affairs. One has to conduct himself in a way that it is not a continual case of doing everything he likes to do or everything that is popular.

Furthermore, I do not believe parliament functions best when there is a series of spectacular performances. Even this year there was a great deal of criticism of the budget simply because there was nothing spectacular in it. That in itself is not sufficient reason to criticize it.

If the government takes the position—and I do not say I do—that during the fiscal year 1963 the proposals it brought in did in fact set Canada on a new course, and that course was producing results, then there would be no need to have any spectacular changes.

I am waiting for the day when the impact of television performances begins to wane because I do not believe there is much relationship between your television image and your actual administrative ability. The one is not related to the other, although this matter of how you appear on television, and the number of times you appear on it, has a great deal to do with whether you get elected or not.

That is all I have to say so far as we are concerned. We are willing to support the setting up of a committee to give the matter some consideration, and perhaps even to go as far as having it on a trial basis, but I personally am also of the opinion that parliament is a little over-publicized even now.

Mr. M. J. Moreau (York-Scarborough): Mr. Speaker, I too would like to commend the hon. member for Greenwood (Mr. Brewin) for introducing what I consider to be a very interesting proposal. As a matter of fact, this is one of those forward looking proposals we could expect from a member for one of the Toronto and district ridings.

In principle I am sure most members of the house would agree we should and must avail ourselves of every means to inform the electorate about our national government. I say, in a non-partisan sense, that parliament and politics suffer a great deal from the lack of understanding and want of information which exists in a usually apathetic electorate. For this reason I would like to support the motion before the house, realizing at the same time there are a great number of problems inherent in it. However, I think it would be the job of the committee to look into them, and we could expect recommendations from the committee as to how and in what way we could achieve our aim.

Some hon. members have indicated that we could be faced with a deteriorating situation so far as the conduct of the business of the nation is concerned, and I am sure hon. members would agree a good number of speeches made in the house are made either for political purposes or for distribution in the ridings of hon. members.

Mr. Woolliams: Would you say that is why you are making your speech now?

Mr. Moreau: Mr. Speaker, I am very delighted to see the hon. member for Bow River (Mr. Woolliams) back with us because he has been absent for some time. We know that reporting in the press gallery sometimes does not reflect too accurately what we consider is important in parliament. We also know some of the press gallery reporting coverage appears to encourage the antics of some members; but to be quite fair we can also agree that reporting by members of the press is effective in cutting down members who somewhat abuse their privileges in the house.

I do not know whether we could devise an equitable way in which the proceedings of the house could be televised. Many problems immediately arise, such as the time to be apportioned between the government and the various opposition groups; but in general I think the suggestion of the hon. member for Greenwood deserves to be entertained seriously.

We have also to remember that we are dealing with a controlled media where, at best, we have probably only two competing stations in any particular area. The danger of increasing the role of such a controlled media is somewhat frightening, taking into account the influences of advertisers and, if we are to believe the suggestions of some hon. members, the influence of politics and perhaps of future governments.

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In raising this point I want to make it clear there is no other news media that is so closely regulated and controlled by so few. In my opinion the advantage which newspapers and periodicals hold over television lies in their ability to cover the news and the political scene in a way television never can, and we have to appreciate the fact that continually several points of view are being projected by these other media. This unique role that the periodicals and newspapers maintain, and which they have as an advantage over television and radio, has enabled them to maintain their competitive position in covering the news. I just wonder what extending television coverage into the House of Commons would do with respect to their position, although I realize they cover the news in a somewhat different way.

Having raised this point, I should like to say that I strongly support the legislation now on the order paper to regulate advertising in foreign magazines. At the same time I wish to express my equally strong disappointment at the provision excluding *Time* and *Reader's Digest*. I urge the government to reconsider its decision and I hope it will delete the clause excluding these two publications before the legislation is proceeded with. I do not think any member of the house could seriously quarrel with the fact that these publications are engaged in a dumping procedure as far as Canada is concerned, and I do not think anyone would seriously suggest that they reflect a truly Canadian viewpoint. Finally, may I say that in my opinion this motion has a great deal of merit and should be referred to the appropriate committee for study. I should like again to commend the hon. member for introducing it.

Mr. Eldon M. Woolliams (Bow River): Mr. Speaker, in rising to speak on this resolution may I say I am very much against it on two counts. First of all, I think that people generally have some misapprehension today as to the functions of parliament. I think it would be well to examine the British system because under that system there are no desks in the chamber. There are places to which you go but no desks are assigned, and they have made their House of Commons a chamber of debate.

There is a feeling across the country, which I think might grow if our proceedings were televised, that unless members are warming the green leather seats in the House of Commons they are not performing their functions as members of parliament. I do not agree that this is the sole function of a member. Basically the function of parliament is to be a chamber for debating our principles, our policies and also legislation.

[Mr. Moreau.]

The functions of a member of parliament are many in number. One of his functions is to be present during debates when he finds it necessary, I suppose. We are all guilty of some parochialism in regard to the areas from which we come. Those from the prairies may not be too interested in some of the industries of other parts of the country, so they may be discharging other duties. They may be attending committees or in their offices. In fact, we may even be outside of Ottawa altogether. It seems to me that our function is not to present our personal opinions here and I do not know how we can express the opinions of our constituents, whether we represent 260,000 or 60,000, unless we keep in contact with them.

I believe that at one time the province of Saskatchewan broadcast the proceedings of its legislature over the radio, but I do not think it is done today. I understand it was not very satisfactory and if our proceedings were televised I do not believe it would be very satisfactory. I ask this question: What network would want to carry the proceedings of the House of Commons day after day and, if it did so, would it be very profitable to it? How many viewers would there be? There are many times when we are in committee of the whole or engaged in other debates when the people of Canada, I believe, would not want to view the proceedings.

Then there is the human nature aspect. There is talk about delays in parliament. I have only been here since 1958 but whether the Liberals, the New Democratic party or the Social Credit party are the main opposition, I do not think there is going to be much change in the proceedings of the House of Commons from year to year unless we get down to amending the rules that govern debate in parliament.

I think we are all guilty of one thing. When the Liberals sat over here and we were over there, the situation was reversed. I am certain that the splinter parties are no more holy or moral politically, and if one of them happened to form the government the situation would be no different. I am sure that many members agree we have to get down to amending the rules of the House of Commons. If the rules were amended there might then be something to view, but there is no question that at the present time there are serious procedural delays. Sometimes these delays are misunderstood. I think it would be a sad and sorry day for democracy if the people of Canada, unless they had had the opportunity to become familiar with the situation through election to parliament, could walk into a room and view a debate on television, and be expected from viewing it to understand what parliament is about.

I repeat that parliament is a place where we debate principles and policies. If we had a camera here today it would not matter which side of the house was shown, although one corner may be a little better populated this afternoon than the others. However, I do not think that group can make any particular claim, because as far as absenteeism is concerned for the purpose of being in one's office or performing other duties I think the record of one party is just about the same as that of any other party.

Mr. Knowles: You make up for all your absent colleagues.

Mr. Woolliams: My friend has said that I was absent from the House of Commons. I did not intend to say this but somebody else has also referred to it.

Mr. Knowles: I said that you and your appearance make up for all your absent colleagues. You are here; we are glad to see you.

Mr. Woolliams: That is fine. I am not going to go into any details except to say that I had a reason for being absent in the last few weeks, and I think it is known in the city of Calgary. I do not believe one should go into anything personal in a debate and I am not going to do so. Seriously, as far as I am concerned I cannot believe that the people of Canada want to view exactly what is on that side of the house at the present time, empty seats, and what is on this side, also some empty seats. They probably would not appreciate that, after all, we are merely debating a private member's notice of motion. For example, when I was absent from the House of Commons—

Mr. Brewin: May I ask the hon. member a question? Does he not realize that if we had television of these proceedings the spotlight would be on him at this moment and not upon the empty seats around him?

Mr. Woolliams: That might be the greatest mistake television ever made, Mr. Speaker. This is what I am afraid of. These prima donnas to my left would always be talking because they would want to have their "physogs" before the camera to show what hardworking members of parliament they are and what great reformers they have been since the time of confederation.

I just want to complete one point before the question is put. The proceedings of the house have to be thoroughly understood and I think they can only be understood if one spends some time in the House of Commons or in the press gallery or in the public galleries. Things are misunderstood. For example, a week ago the hon. member for Winnipeg North Centre (Mr. Knowles) brought in a private bill which got headlines across the country. Many people I talked to really believed there was a bill before the House of Commons to abolish the Senate, which might be passed. Very few people appreciated that there is only one hour each day for private bills. They thought it was government bill or a bill that would really be debated for weeks with the result that the Senate would either be abolished or not abolished.

I think there would be greater misunderstanding if people just viewed certain proceedings of the House of Commons because they would get the wrong idea. That is my feeling about the matter and it is supported by the experience in Saskatchewan where the C.C.F. government of that day instituted broadcasting of the proceedings of the legislature by radio. They gave it up because they found it was not very satisfactory. After the novelty wore off people were not too interested. I suppose that televising the proceedings might possibly clear up some misunderstandings. However, last week the Minister of Agriculture (Mr. Hays) made a speech in Lethbridge. He said there had been some delay in the proceedings of the house, with the result that the government had not been able to proceed with its farm legislation, which was on the order paper, and get it passed. I have looked at the order paper and I cannot find any farm legislation. I suppose what he was doing was more or less bluffing about the proceedings on the basis of the debate on the supplementary estimates. I do not believe the putting of the proceedings of this House of Commons on television is going to clear up that misunderstanding. In fact, I would say it would only add to the confusion.

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

Mr. Woolliams: No, I should like to finish what I have to say. You have had time to make your speech, so I would like to complete my remarks. If the house would like to adopt this motion, I should like to see it given an opportunity to go on record in that regard.

Basically, I believe the adoption of this scheme would only add to the confusion. Surely, there is enough confusion now. This is illustrated by the things we read in newspapers about what really goes on in parliament. There is no doubt about it, so far as a member of the house is concerned and the members of the various political parties, the political image is still important. As hon. members know, there was a book written about one prime minister, and I would invite hon. members to read about the myth built up about the late President Kennedy. It is rather interesting to read the history of that

situation. I suppose the book was withheld from publication because of the tragedy that took place last year. There is no doubt about it, a myth was built up. I feel, Mr. Speaker, that television would help in creating a false image of parliament in the minds of the Canadian people. So far as I am concerned, I oppose this motion on that basis and I oppose any legislation arising out of it.

THE ROYAL ASSENT

Mr. Speaker: I have the honour to inform the house that I have received the following communication:

Ottawa, April 13, 1964

Sir,

I have the honour to inform you that the Honourable Wishart Spence, a Judge of the Supreme Court of Canada, acting as Deputy of His Excellency the Governor General, will proceed to the Senate chamber today, April 13, at 5.45 p.m., for the purpose of giving the royal assent to certain bills.

I have the honour to be,
Sir,

Your obedient servant,
A. G. Cherrier,
Assistant Secretary to the Governor General.

A message was delivered by Major C. R. Lamoureux, Gentleman Usher of the Black Rod, as follows:

Mr. Speaker, the Honourable the Deputy Governor General desires the immediate attendance of this honourable house in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the house went up to the Senate chamber.

And being returned:

Mr. Speaker informed the house that the Deputy Governor General had been pleased to give, in Her Majesty's name, the royal assent to the following bill:

An act for granting to Her Majesty certain sums of money for the public service for the financial year ending the 31st March, 1964.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

THE BUDGET

ANNUAL FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The house resumed consideration of the motion of Hon. Walter L. Gordon (Minister of Finance), that Mr. Speaker do now leave the chair for the house to go into committee of ways and means.

[Mr. Woolliams.]

Mr. Brewin: Mr. Speaker, as I survey the house this evening I think it would be appropriate to call a snap vote.

An hon. Member: On what?

Mr. Brewin: On almost anything. It may be a bit of a shock to the members of the house to hear that at this stage of my speech I propose to discuss the budget.

Some hon. Members: Oh, oh.

Mr. Brewin: This is a subject which, after a few weeks of supplementary estimates, seems to be lost in some sort of a haze and be somewhat remote at this time. I recall that when the debate proceeded before, certain adjectives were used about the budget. I think it was described as a "stand pat" budget, a "do nothing" budget, and I propose to add a few phrases of description of my own. The budget seems to me to be a budget of creeping complacency; it is conservative to the core. I use that word not in the political sense but in the proper meaning of the word conservative. I see the Minister of Finance (Mr. Gordon) blanch as I use these words.

An hon. Member: "Squirm".

Mr. Brewin: "Squirm" is the word that my colleague suggests. At any rate, it is appropriate to the occasion. This budget is a declaration of neutrality in the war against poverty. It accepts the sterile orthodoxies of the 1930's. It fails altogether to employ the fiscal remedies available to deal with the present day problems—problems of growth and of unemployment. At a time when we urgently need federal leadership we get this uninspiring, negative and deadening budget. At a time when we need to move firmly forward, we are invited to stand still. Those are a few of the adjectives that I think can properly be added to describe this budget.

One could almost hear the sigh of relief with which the government accepted as an excuse for inaction the stimulus to the economy of the purely fortuitous sales of wheat to countries behind the iron curtain. It is our belief that the budget could be, and should be, an important instrument to be used aggressively to promote expansion, to cure unemployment and to remove unnecessary poverty. It is our conviction that it will be found impossible to change over the Canadian economy to rapid and steady growth and full employment without taking vigorous measures to induce greater equality of opportunity and standards of living for Canadians. To put it in other words, if we moved vigorously to meet the most urgent unfilled needs of fellow Canadians, we would at the same time be giving an impetus to our whole

economy. The pursuit of social justice will lead to economic progress. There may be some who question whether or not we have in Canada serious destitution, poverty or deprivation. In our affluent North American society much poverty is hidden. There can, however, be no doubt that it is real.

A well known Swedish economist, Mr. Gunnar Myrdal, in his recent book "Challenge to Affluence" has outlined the situation in the United States. He documented the continuing pockets of poverty in that most prosperous and affluent society. He points out that the bureau of census, several of the departments in Washington and of the state administrations, university institutions and other research outfits have in recent years done a commendable job of laying bare the facts of American poverty and of the causal relations behind this poverty. I commend to hon. members opposite the most fascinating statistical review I have ever read—perhaps the only fascinating statistical review I have ever read—called "Rich Man, Poor Man" by Herman P. Miller, special assistant to the United States bureau of statistics. I would suggest to some aspiring Canadian statistician that he should write such a book and do the same thing for Canada as Mr. Miller did for the United States. We do not appear to have up to date information available in Canada, although some significant facts can be obtained from income tax statistics. Some of these were presented to the house in this debate by my colleague, the hon. member for Winnipeg North (Mr. Orlikow); others, to which I will refer later, are to be found in a report of the research projects section of the dominion bureau of statistics for the year 1957.

It is highly probable that the conclusions arrived at by Professor Myrdal and Mr. Miller about the United States are roughly comparable to the conditions which exist in Canada. Professor Myrdal based his conclusions on a condensation of various studies derived from "Poverty and deprivation in the United States", published by the conference on economic progress. He defined "poverty" for multiple-persons families as having to live on a family income of under $4,000 a year; and for unattached individuals, under $2,000 a year. On this definition 38 million Americans—or more than one fifth of the nation—were poor in 1960. Similar figures in Canada would mean that between three million and four million Canadians fall below the poverty line. In the United States another 39 million were below what Professor Myrdal calls the "deprivation line", that is to say had incomes, for families, between $4,000 and $6,000, and for individuals between $2,000 and $3,000. He uses another term, "destitution"; that is to say, the situation of people with less than half of the income representing the poverty line. This destitution was the destiny of more than 12½ million Americans, or nearly 7 per cent of the population of the United States.

A similar figure for Canada would be over 1¼ million. The groups which in the United States of America are afflicted by poverty are the minorities, such as the non-whites, small farmers and farm workers, the people from 65 years of age upward, the less well educated and the unemployed, and 40 per cent of the families whose heads were unemployed were living in poverty. Poverty hits the family whose head is a female, the family which has lost a husband and father, or never had one. Long term unemployment is creating a class of unemployables. Even the figures of unemployment do not present a full picture, as many are under-employed, that is employed part-time, and many who could, in a full employment economy, be employed do not enter the labour market.

I have no doubt, Mr. Speaker, that Canadian poverty can be found in similar groups. I am particularly concerned about destitution among older people. The survey conducted by the research projects section of the dominion bureau of statistics which I have already referred to indicates that approximately one quarter of the heads of families and unattached individuals over 65 throughout Canada, other than farmers, had cash incomes of less than $1,000 a year in 1957 and that this figure reached in the prairie provinces nearly one half of the families and individuals.

I do not have available the figures to fit into Professor Myrdal's analysis of destitution, but it is clear that destitution is the common fate of most Canadians over 65. Indeed, the average income of families—this is of whole families—with heads aged 65 or over was $2,535 for Canada, and as low as $1,830 for the prairie provinces.

It may be asked: What can the budget do about this? The first thing to be recognized is that redistributional reform is necessary from the point of view of social justice. Redistributional reform involves a reduction in the tax burden on persons in the lower income brackets, as well as the imposition of the capital gains tax as suggested by my colleague, the hon. member for Nanaimo-Cowichan-The Islands (Mr. Cameron).

I know, Mr. Speaker, that there is a royal commission on taxation which has not yet reported, but I venture to say that no royal commission on taxation is needed to demonstrate the injustice of maintaining income tax on persons with an income which is in

fact so low as to put them below a reasonable definition of poverty. In 1961, the last year for which figures are available to me, there were 2,495,168 taxpayers with incomes of less than $4,000, who paid a total tax of $387.4 million. To remove the tax burden from the backs of those already suffering from poverty in an affluent society would be an act of social justice which it would be well within the capacity of the government to undertake immediately. But the argument for such a reduction in taxation at the lower levels is not merely to benefit the poor. This tax reduction would be equally as important as a basis for the achievement of expansion of the economy. It would be of general economic interest and not only benefit the poor themselves. Unemployment and the lower productivity of the lower income brackets is one of our major unutilized and under-utilized resources.

Is it not possible, Mr. Speaker, for us to have the good sense to see that a real effort to relieve those in need is, according to the best economic advice we can get, also part of economic wisdom? In the United States of America the government has accepted the notion of an unremitting war on poverty. Our government should at least be as equally committed to such a war. It could perhaps take a look at the American example of tax cutting. A substantial tax cut suggested by the President of the United States was accepted by congress as a necessary means of stimulating a relatively stagnant economy. A proportionate tax cut in Canada would amount to roughly $500 million. Our economy has at least been equally as stagnant as the United States economy. Why has the government rejected a similar stimulus to the Canadian economy? The tax cut approved by congress in the United States was, in accordance with the American pattern, not applied at the lower levels only. It is my contention that if a tax cut of half a billion dollars were applied by the Canadian government and applied at the lower levels of income, the increased demand would give a tremendous and urgently needed stimulus to the Canadian economy.

Now, Mr. Speaker, there are two other matters I would like to mention. I was very greatly disappointed at the announcement made by the Prime Minister (Mr. Pearson) on Friday that the federal government was not going to increase its contribution to hospital construction. I found one of the reasons he gave particularly disturbing. He said that one or more provinces had objected. If, Mr. Speaker, there is a grave crisis affecting the lives and health of a very large section of Canada—there is no doubt that there is and I could spend much time documenting the case—is the veto of some province or provinces to prevent federal action? The Prime Minister, in my judgment, has shown weakness in sheltering behind the objection of one or two provinces.

The statement that hospitals are a provincial responsibility is indeed true; but the existence of the present federal hospital grants is a recognition that a federal contribution is in order. If it is to be made at all, why should it not be increased to keep up with increasing costs and to aid in relieving a very real and grave crisis? Because the hon. member for Danforth (Mr. Scott) and myself have been consistently pressing for federal relief in this field, an impression has developed that this is a local Toronto matter. It is nothing of the sort. It is a matter seriously affecting every urban and metropolitan centre.

We are glad to hear in this house about the special needs of other areas—Quebec, the maritimes, the prairies, the Yukon, and so on. I hope the government does not think that it should ignore the needs and requests of major metropolitan areas, which in numbers alone exceed most of the provinces. It will be making a great mistake if it does.

Now, Mr. Speaker, there is one more subject I should like to mention if I have time. I should like to say a few words about another notable document which was brought before the house since the budget was introduced, and I refer to the white paper on defence. It is very obviously related to the budget as it contemplates continuing defence expenditures of more than $1.5 billion a year. Obviously I have not time to discuss the white paper in detail. It has received a very good press, and the impression has been created, not I must say from any careful reading of the white paper itself, that the machinery of integration which it proposes and which has been highlighted represents a substantial saving, and that the proposals of the white paper taken together would, if carried into effect, bring about a substantial lightening of the burden of defence expenditure. Nothing could be further from the truth. Indeed, the gains on the swings are more than made up on the roundabouts. At page 24 of the white paper—I will not have time to read it—are serious proposals for additional major expenditures.

The fact is that the white paper is a very serious disappointment. It puts some new and welcome emphasis on Canada's peace keeping role and the mobile forces required to fulfil it. It talks of the obsolescence of strategic concepts and then provides for Canada to continue its part in the obsolete

and indeed dangerous concept of tactical nuclear weapons to be used in response to any aggression in Europe. The search for the new and more realistic and effective role that the Prime Minister in his famous Scarborough speech of January 1963, saw as the result of promise of re-examination, turns out to be a mirage. The truth is that the white paper tries to do the impossible. It clings to the old love and seeks to embrace the new at the same time. It cannot do both. It cannot sustain an effective mobile intervention role in NATO and for the United Nations, and at the same time maintain our share of the forward forces by supplying a brigade group and air force squadrons for the front line in Europe.

The white paper falls between two stools. The bold, new look that was promised has been compromised by the conservatism which has prevented a break with the past. The real dilemma has not been solved. We are going to proceed with the continuing futility of doing a little of everything that is involved. The white paper poses the question of whether our role should be a nuclear or a non-nuclear one, and then evades it.

The white paper talks of flexibility. I hope this means that the minister and his advisers will move forward from the very small advance they have made, as represented in the white paper. I can assure the Minister of Finance, if he needs assurance, that until they do, until they move forward from trying to do a little bit of everything, as the white paper suggests, his problems of rising defence expenditures will grow, and not diminish, as the years go by.

Mr. Richard Cashin (St. John's West): Mr. Speaker, I would like to say a few words in this debate and perhaps, like the hon. member who preceded me, I too may stray a little from the subject of the budget.

At the outset may I say I was pleased with the reference made by the Minister of Finance to the extension of family allowances to the 16 and 17 year old students still in school. I was also encouraged by his reference to a student loan plan because this represents a great improvement. I do not think I would go far as to say it is an unprecedented step, but certainly it shows a welcome attention being paid by the federal government to the problems of the youth of the country.

Certainly in the whole field of social security this government is to be congratulated for at least showing its willingness to bring in some new legislation. Indeed, the Canada pension plan represents the first new, major piece of social security legislation in all too long a period. Because of this I am hopeful that the present administration will come to grips with all, or most, of the present inequities that exist at the present time within the framework of our social security laws.

Our social security laws were bred in the desperate thirties. Since then we have increased them and one might even say, begrudgingly at times extended them. Unfortunately, however, there has evolved a non-planned, often unrelated patchwork system. The time has come for all of us, at this level of government and at other levels of government, to ascertain just what we are doing in this field because, as was pointed out in the debate earlier this afternoon, for all of our brave talk and for all of our eloquent speeches there is still a great deal to be accomplished. Relatively, I say relatively, Mr. Speaker, do we know how much better off are those in the lower income group today than they were 30 years ago.

I am alarmed, Mr. Speaker, because there are many Canadians who, consciously or subconsciously, feel that we have done enough in this field of social security. They feel this, I am convinced, without ever having studied the inequities that exist within the framework of our present approach.

An hon. Member: The Conservatives did.

Mr. Cashin: No party is without blame in this field—none of us.

We have just increased the old age pension and I submit that the figure of $75 per month is at best only supplementary to the income of our retired citizens, and because of that we are attempting to introduce the Canada pension plan. However, the pension is a considerable amount compared to the miserly allowances paid to the widows in our country. I suggest that we examine what the ten provinces of Canada are paying to widows. They are and form a whole class of people who have to apply for this allowance, but there is not one province that proportionately comes close in equalling the allowance to widows to that given to old age pensioners.

I would suggest that at the forthcoming conference of welfare ministers, in the spirit of co-operative federalism, all levels of government try to determine what we can accomplish as a nation, not just as ten provinces, to remove the awful inequities that exist in our haphazard approach to social security.

One great obstacle to a fundamental understanding of social security must be removed. Social security is not taking from the rich and giving to the poor; it is not a form of charity. It is, more often than not, a transfer of income from individual to individual within the same group. For example, the worker with no children helps to pay for the

worker in the same group who has eight or nine children, and the worker who is healthy helps to pay for the benefits that the sick receive.

We must recognize that in our advanced technological society there are many things which we consume collectively, and which we can only consume if we consume them collectively. It is folly to suggest that we live in an era of private consumption and private earning, or that we should return to such an age. To do this, or to say this, is to ignore the scientific revolution that has come about in the last several decades. It is amazing that with each suggestion of a further improvement in our social security laws the same old arguments are raised against them. There is probably not one reasonable person in Canada who would suggest that we remove the social security legislation now on the statute books, but when additional legislation is advocated, and quite often the additional legislation represents only a compromise, the laissez-faire arguments that were applicable to the 19th century situation are applied to the 20th century situation. This shows a desire on the part of some to protect a narrow, vested interested. It also shows a failure to recognize the great changes wrought in the last several decades.

You may recall, Mr. Speaker, that the Canada pension plan was opposed last year. I have very good reason to question not only the motives but many of the arguments advanced against it. But if we think the opposition to the Canada pension plan is anything, what is going to happen when the government eventually gets around to giving us that much needed piece of legislation, a comprehensive medical program? The government will then find itself in a tough position, with one group saying it does not go far enough, and another group not knowing what to say but nevertheless criticizing us, while at the same time we have 19 million Canadians not greatly interested in those viewpoints because all they want is to see such a plan in operation. Yet we, who sometimes seem to think the whole world is watching us from the gallery, interested in every word we say, will probably delay the implementation of such a program for several years.

I have referred to the 19th century attitude that resurrects itself whenever we talk about social security. I expect it is a distorted notion of freedom. We in the 1960's can be truly more free than man ever dreamed of 100, or even 30 years ago. Because of our scientific advancements and our great breakthroughs in medicine, we now have in the sum total of human knowledge the ways and means to live better, to live longer, and to live in better health. But to apply 19th century thinking to this type of society means that all free men will not be free to enjoy the benefits of mankind's achievements. Many of these achievements, Mr. Speaker, can only be available to you and to me if they are available to all men.

Let us understand the meaning of social security and the function of social security in the 1960's. It is not to be confused with creeping socialism, and we must not allow ourselves to be retarded in our progress because of a misunderstanding of what social security laws are all about. It is not to be confused with the government's control of the economy through control of the means of production, though it does represent certain government intervention in the economy, but since the days of Keynes this has become fashionable, if not always understood. It follows that the state is merely an instrument or agency through which these things can be accomplished. Theoretically, at least, the state is not the only available agency, but practically I suggest it is.

I have already made reference to the inequities in our present social security system, and have given as a specific example the widows' allowances. There are a great many others. If we are to talk about social security we must talk in terms of defining our philosophy of social security, and if we look at it in the light of the functions of society I think we will remove the argument that this is a continuing handout program. This concept of a handout program has arisen because successive governments have not had the courage to understand it themselves, and in that sense the politicians of the past 30 years are somewhat to blame.

With regard to social security I am interested, of course, in seeing that we have national standards, and this presumes a strong central government. I believe we can only have equalization of opportunity for all Canadians if in fact we have a strong federal system. While I am on the subject I may say I realize that in the province of Quebec our brother Canadians of the French tongue are concerned at the present moment about equalization of opportunity. It seems to me that all Canadians are in sympathy with their aspirations and are sincerely interested. But, Mr. Speaker, some views—I hope they represent nothing like a majority—held by responsible men in the province of Quebec would suggest that we have a dilemma to be resolved because these people feel that the only way the province of Quebec can fulfil its aspirations is through a weakening of the fiscal authority of the federal government. On the other side of the coin there are areas, not as well to do at all as the province of Quebec, that are

quite convinced that the only way we can achieve equalization of opportunity is through a strong federal system.

For a moment I should like to present a hypothetical situation of a Canada exactly the same as it is today except in one respect, that one respect being that all of the 10 provinces have the same mother tongue. What would the differences be between that Canada and the real Canada? The Atlantic provinces situated as they are on the extremity of Canada would be in the same economic position as they are today. That being the case, the federal government and the well to do areas of Canada would have the challenge to help create an atmosphere in which the Atlantic provinces could develop. The same *quid pro quo* would exist between the extremities and the centre of this country as now exists. In the centre the great industries, being protected, would find outlets for their industries in the extremities.

We might ask ourselves what the position of the province of Quebec would be in this hypothetical Canada where we were all of one language. Would the education system be the same? If not, what effect would that have? In this example, of course the means of production, industry and commerce in that hypothetical Quebec would be owned by people of the same mother tongue and the same culture as the working people. We might ask ourselves whether in that imaginary Canada I have conceived Quebec would still be second only to the Atlantic provinces in unemployment.

I have used this example, perhaps a very crude one, to come to the point about which I am wondering. Who are the people who can say best at this time what is the answer to the dilemma I posed a few minutes ago with regard to those who see the federal system a little differently than I do? I might suggest with a great deal of support, I am sure, that perhaps if the federal government had even stronger powers than those that some would now take away, what is now happening in the province of Quebec would have happened 40 years ago or perhaps would not have happened at all, because of the existence of a truly strong federal government.

I have been talking about the federal government theme, and I do so because if we are to have national standards and a sound approach to social security I believe we must have a strong federal government. But I am concerned that when we talk about national unity and the powers of the federal government we may find ourselves in 15 or 20 years, having spent a great deal of time talking about these matters, actually confronted more forcibly than we are now with what may be the real underlying problem, the United States of America, and whether or not we will remain economically and politically independent of that country to the south. If the Atlantic provinces or any one of the areas on the extremities need a strong central government to help to bring about equalization of opportunities, I suggest the argument is just as strong that so do the 10 provinces of Canada under that government unless, of course, we are to accept what some suggest is the real question, that economically and politically we might be better off if we did not exist in this form at all.

So far as higher standards of social security are concerned I have noted, as some other hon. members may also have noted, a book by Michael Harrington, "The Other America" in which he suggests that in the United States of America there are 40 million to 50 million Americans living at a bare subsistence level. If we compare Canada with the United States we find that our standard of living is 25 per cent to 30 per cent behind that country. If in the United States they have 40 million to 50 million Americans living at a subsistence level, I think it would be reasonable to assume that the comparable figure is higher in Canada although, as the hon. member for Greenwood (Mr. Brewin) pointed out in his remarks, the proper kind of study of this problem that we would like to have has not been made in our country.

In the United States recently there has been much discussion about the war on poverty. Senator Fulbright, who is one of the more enlightened of contemporary American political figures, said recently in a speech at the University of North Carolina that the war on poverty is only beginning. In fact he criticized his countrymen in a sense for their preoccupation with the cold war, induced by an hysteria that has lingered as a hangover from the McCarthy era. He suggested that more attention needs to be paid to the problems of social security.

Perhaps the analogy has some value in regard to what I was talking about a moment ago. While we may be pursuing a very vital and necessary course in indulging in introspection about our national identity and culture, it may be that this is being done at the expense of our resources and creativeness just as in the United States the cold war, as Senator Fulbright has suggested, has affected that country.

In talking about equalization of opportunity, and social security would be a part of that grandiose phrase, the traditional outlook has been, of course, that, rural areas are continually attempting to bring themselves up to urban standards. But I am quite convinced, as I feel most of us are, that perhaps some of

the greatest human misery that exists in this country exists within the very heartland of our cities. The problems of urban growth and urban renewal are just as important because poverty is just as harsh and in some cases perhaps harsher in our cities than in rural areas.

The problem of urban renewal is one that again necessitates, I suggest, national policies and national standards. Many hon. members on both sides of the house have enumerated programs which would have national implications to raise our economic standards, and standards of living. As has been mentioned earlier in the debate, the government has made a start on some of these things. It has made a start unprecedented for Canada in bringing forth legislation relative to planning, and the creation of the Department of Industry is something that represents a significant step forward. I hope that an enlightened federal approach to the problem of urban renewal will be another that will be forthcoming.

This afternoon we listened to a speech by the distinguished member for Antigonish-Guysborough (Mr. Stewart). It is obvious that the way the name of that constituency is bandied about by some of the less informed members of the house, they do not know how to pronounce it correctly as we do. We know that this afternoon this very distinguished member enumerated some of the programs and policies which this government has started, and some of the things which they have not yet started but which we hope they will start. These programs will affect the equalization of opportunities for those of us from the Atlantic provinces.

Now, I have talked about social security and about a strong federal government with national standing. In conclusion, Mr. Speaker, I should like to say that having been here for some time, perhaps not as long as most hon. members in this house, I have come to the conclusion that the greatest challenge that faces Canada today is not biculturalism. The greatest challenge that faces us is the eradication of poverty and the equalization of opportunity for all Canadians in all provinces. We should make sure that Canada and Canadians keep abreast of changing conditions in our increasingly scientific and technological world. We will find then that biculturalism and bilingualism will become only part of this greater problem.

Mr. John Loney (Bruce): In participating in this budget debate, I wish to say at the outset that it is my intention to confine my remarks to matters of immediate concern within the riding of Bruce. In dealing with these matters, I shall address my remarks to the Minister of Public Works (Mr. Deschatelets). While my remarks, in essence, might appear to the minister to be criticism, I would remind him that as the elected representative of the riding of Bruce I speak for and on behalf of the constituents of that riding and the matters of concern that affect the people of the riding, and the welfare of the people.

One matter of immediate concern which I would present to the minister for reconsideration is the dredging of the harbour at Kincardine. I refer now to a letter written to the minister on October 16, 1963, in which I ask, with reference to a dredging program, "when will a dredging program be undertaken to improve the harbour facilities at Kincardine." I quote from the minister's reply of October 23, 1963:

> It is considered that existing depths in the harbour are adequate for the normal traffic. Therefore, it is not planned to undertake any dredging program at this place.

I draw attention, Mr. Speaker, to the words "are adequate for the normal traffic". I have here a letter from fishermen operating out of the harbour at Kincardine, dated March 3, 1964. I quote:

> We the undersigned fishermen, holding valid commercial fishing licences out of the harbour situated at Kincardine, Ontario and district, respectfully petition to have the harbour at Kincardine dredged.
>
> We believe that it should be deepened to a depth navigable by fishing craft, and also yachts and smaller craft which are very numerous during the summer season. At the present time the harbour is not navigable by any craft with a draft greater than four feet. We respectfully submit that it should be deepened to a depth not less than nine or ten feet.
>
> The present condition of this harbour, prevents it being used by any craft caught on the lake by a storm, the majority of fishing craft in this area have a draft of seven feet.

This letter is signed by D. A. MacLeod; Charles L. Pilon; Roy F. Jackson; William R. Jackson and F. B. Rayner. These men are all licensed commercial fishermen operating out of the harbour at Kincardine.

The immediate need for dredging is caused by the current low water level of the great lakes. The drop is now close to three feet. In addition, there is the natural silting from the Penetangore river which flows into the harbour basin. The town of Kincardine is very much aware of the resultant silting action and has endeavoured to convince the Department of Public Works of the benefits of a control dam. These efforts were unsuccessful, and I should like to quote from a reply the town received from the Department of Public Works. It is addressed to Mr. C. Roy Whiting, chairman, town planning board, corporation of the town of Kincardine. I quote from the text:

> Of the three purposes or benefits mentioned in your letter that would result from the construc-

tion of the dam, only the prevention of the harbour silting up would be of interest to this department. In this regard, our annual cost to maintain the harbour for its present use amounts to less than $3,000. Furthermore, the percentage of this average cost, due to settlement of river materials as distinct from materials entering from the lake, are not known. Also the ability of the proposed dam to retain the river silt would depend largely on the design and can only be determined by a detailed study to establish the amount of silt being carried down and the amount that would still pass through the dam during periods of heavy flow.

Although the capital cost of the dam, including expropriation, etc., and its operating costs, have not been calculated, it would appear that any savings, if any, in our maintenance dredging as a result of the dam would be extremely small and, therefore, any participation in this project by this department could not be justified.

Mr. Speaker, this reply sets out in detail the small annual cost of the maintenance of the harbour which is essential to the fishing craft, a shelter during storms, a tourist attraction, and the mainstay in the economy of a resort town. I have here a resolution passed by the Kincardine town council, indicating they are aware of the existing situation. This resolution is dated March 10, 1964, and reads as follows:

That the council request the clerk to write a letter to the Department of Public Works requesting that the Kincardine harbour be dredged and some form of renovating program be carried out in 1964.

This resolution is signed by R. Lautenslager, clerk-treasurer. The Kincardine harbour is a natural stopover for yachtsmen, since it is approximately halfway between Sarnia and Tobermory. The business community has worked hard for many years to attract this trade and it is of the utmost importance that harbour facilities be available. I should like to put on the record two letters from businessmen who service pleasure craft with fuel and supplies. This letter is dated March 10 and is addressed to the Minister of Public Works. I quote:

May we take the liberty to petition you and your department to give serious consideration of dredging the harbour at Kincardine this spring?

I have gasoline pumps at the government dock and last year we had between 450 and 500 yachts; most of these yachts were from the U.S.A. and they leave large sums of American currency each year in Canada. Mr. Cottrill, who is my competitor, also had a number of yachts at his marina.

As you likely know, we are situated just about half-way between Sarnia and Tobermory. This makes a nice run from Sarnia to Kincardine in a day and then from Kincardine to Tobermory the next day. For the last number of years the boating has been on the increase and it will continue to do so, however, we must help the cause along by giving the boating people good harbours. I understand that the states are fixing their harbours so as to keep the boaters on the American side of the great lakes.

Goderich has a good harbour, but it is a commercial port and some of the boaters do not like the noise, etc.

From a safety point of view there is a stretch of about 60 to 70 miles between Goderich and Port Elgin where, if a sudden storm came up, there would be no haven for a boat to seek shelter except Kincardine, and with the shallow water at Kincardine it would be difficult for a fair sized boat to get into our harbour. Some of the fishermen tell me that they will have trouble getting their fishing tugs into Kincardine this year.

Therefore, sir, we here in Kincardine would appreciate very much if you would consider our request and have the harbour dredged to a depth of about 10 to 12 feet and have the pilings around the harbour checked.

Yours sincerely,
Clarence H. Walpole.

I wish, now, to quote a second letter which is also addressed to the Minister of Public Works. This letter is dated March 14, 1964. It says:

We are writing in support of a plea that some dredging be done at our harbour in Kincardine, Ontario.

We realize that our harbour is used for small pleasure craft and that we have upwards of 600 yachts each summer. These yachts are over 90 per cent from the American side and constitute a large part of our tourist trade. The tourist trade has always been one of our main industries and we are naturally interested in seeing that we have proper facilities to look after it. Unless we have 10 to 12 feet of water in our harbour there are many yachts and fishing tugs which will have difficulty. Many yachts are sailing craft and these, by their type of construction, draw considerable water, even small ones. We should also like to point out that as a harbour for storm shelter we do not have enough water to admit fair sized craft.

We do hope you will give consideration to dredging at this time.

Sincerely yours,
James C. D. Cottrill.

The low water level is of serious consequence to the lakeshore tourist areas of western Ontario. Recently, the hon. member for Simcoe East (Mr. Rynard) and the hon. member for Grey North (Mr. Noble) brought this to the attention of the house. I have here a picture published in the Wiarton *Echo* on March 26 showing a dock at Wiarton which is completely above the waterline. There is a late model car parked on the dry ground beside the dock. As further evidence of the seriousness of the low water situation I have the April 8 issue of the Port Elgin *Times*. On the front page is a picture of the dock at Port Elgin. Underneath, it says:

The receding waters of the great lakes and especially the Georgian bay and lake Huron area are causing considerable concern among the lakeshore communities. The lowest ever, might mean fewer yachts stay-over in Port Elgin this year. This photo, taken from the lakeshore road area towards the small craft catwalk and the Bluewater tearoom, shows how far down the water has gone this past year.

From the same issue of the Port Elgin *Times* I should like to quote the caption

beneath another photograph of government property at Port Elgin. The picture shows a breakwall which is high and dry above the waterline. There is no water in sight at all. The caption reads:

The south breakwall is presently high and dry at the local beach as the water level dropped another two feet this year.

This is further evidence of the seriousness of the situation. Also from Port Elgin comes a picture beneath which appears the following caption:

Here are three craft attempting to turn around to come back into the local harbor. The boats were out some distance past the breakwalls, but low water levels allowed spectators to walk out right up to the stuck craft most of them making their way along the stoney bar shown above.

This is further indication of the gravity of the situation in the lakeshore area. I have another picture showing the Southampton harbour with an article stating the intention of the local residents. This is from the Southampton *Beacon*.

The Georgian Bay development association has begun a serious survey of the water levels of the Georgian bay and lake Huron.

Because of the serious effects of the present record low levels of these waters, commercial trade is suffering in several ports and hundreds of cottagers as well as commercial enterprises are finding their docks even higher out of water.

Numerous examples of this devastating effect can be noted at establishments along the shore lines and to stay in business this year thousands of dollars will have to be spent by the owners.

Neville Keefe, general manager of the association, told this paper that the association's first move would be general discussion with government officials and other agencies as to the causes of the recession of the waters, and a survey of the effects of this on the economy of the areas affected.

The low water level presented problems last year as well. I refer now to the launching ramp at the government dock at Dyer's Bay. Last year the local residents found it necessary to extend at their own expense—I repeat: at their own expense—the small craft landing ramp leading to the receding waterline. I was informed by the secretary of the Dyer's Bay resort association that the extension they built last year is now six feet from the waterline. I intend to speak on this matter on another occasion. The problems resulting from the current low water level are evident at all government docks on the shoreline of Bruce. Immediate attention should be given to the harbour facilities at Port Elgin and Southampton.

It was with dismay that we learned in Bruce of the decision of the present administration to cancel the proposed dredging project at the Sauble river. This program involved some $60,000 and was absolutely necessary to the maintenance of the tourist industry in this resort area.

To return to the situation at Kincardine harbour, I would ask the minister to give serious consideration to the numerous requests for a dredging program. In addition, the department should investigate the damage being done to pleasure craft by the pilings which are now above the waterline. We would also ask the minister to consider the petitions of the community for the construction of a small craft launching ramp. The minister stated in his reply of November 19, 1963 that he would have engineers examine a site if there were reasons to warrant an expenditure, and I now present for his consideration petitions of the chamber of commerce of Kincardine. These petitions are addressed to myself, and the first is dated March 28, 1964.

The Kincardine and district chamber of commerce urgently request that you plead with your government on our behalf, for the erection of a boat ramp in the vicinity of the harbour.

Your government wishes us to improve our tourist facilities in order to encourage more tourist dollars spent in Canada. We feel sure they will want to do their part to carry out this important program.

As lake Huron is the only geographical asset we have, it behooves us to make the most of it.

If we are assured work will be started on the ramp in the immediate future, we can advertise it to our prospective summer visitors.

May we have a definite answer immediately,

Very truly yours,
Mrs. J. Henderson
Secretary-treasurer.

The second petition is dated April 2, 1964 and reads as follows:

I'm writing on behalf of the chamber of commerce with regard to the Department of Public Works building a boat launching ramp in Kincardine.

Situated as we are on lake Huron it is unthinkable that we should go through another summer without proper launching facilities. We have done a road check and we find that every fifth car has a boat and trailer. This check was done for us by our chief of police last July. Those who operate tourist accommodation tell me that there are many requests for a boat launching ramp. We in Kincardine are going all-out this summer to promote our tourist industry. This is more important to the life of our town because of the loss of two important industries. There are also many more boats in Kincardine and surrounding area than there has ever been.

To date we have been able to get a suitable site on the north side of the north pier, directly in front of the house occupied by Gordon Lafrance. There is much more ground work to be done in this regard. However, for now I think those of us from the chamber and the town council who have viewed the site agree that this is the most logical place. Also we have enlisted the help necessary to get the roadway built. This will be done by the town council. The chamber, although lacking in funds will do everything possible with regard to smooth operation of the ramp and with the normal upkeep of the site once it has been built.

Mr. Scroggie, the district engineer, from London had his Mr. George Metrink call on us and we have obtained some valuable information from him. They have been most co-operative and we appreciate the efforts they have made thus far.

That is signed "Jim Cottrill" on behalf of the tourist committee. Mr. Speaker, in concluding my remarks I ask the minister to reconsider his reply of October 23, 1963 with regard to a dredging program at the Kincardine harbour. I reiterate that reply:

It is considered that existing depths in the harbour are adequate for the normal traffic. Therefore it is not planned to undertake a dredging program at this place.

Mr. Speaker, on behalf of those concerned, I ask that we be given the opportunity to substantiate our requests.

[*Translation*]

Mr. Gerard Ouellet (Rimouski): Mr. Speaker, at the beginning of my remarks, allow me to congratulate the hon. member for Matapedia-Matane (Mr. Tremblay) on his recent appointment as Minister of Citizenship and Immigration for Canada. I will not wait any longer to wish him a fruitful career within the federal cabinet and in the administration of his department in particular.

The beautiful riding of Matapedia-Matane runs along the eastern side of the riding of Rimouski which I have the honour and the privilege to represent in the House of Commons of Canada.

If Rimouski is represented in the house by a member of the opposition, it has the enviable privilege of seeing two of its distinguished sons in the federal cabinet.

That is why, at this time, I must offer my thanks to the right hon. Prime Minister of Canada (Mr. Pearson) for the great honour done to so many families connected with the hon. members for Outremont-St. Jean (Mr. Lamontagne) and for Matapedia-Matane.

In fact, the hon. member for Outremont-St. Jean comes from Mont Joli, Rimouski county, and he too was appointed recently Secretary of State for Canada. As far as the Minister of Citizenship and Immigration is concerned, he comes from Luceville, near the town of Rimouski.

The two cabinet ministers, who come from the Rimouski county, maintain probably a particular affection for the region of their respective origin. To every valiant heart, the nativeland is always dear, is it not?

With regard to the riding of Rimouski, it would be most ungrateful on my part to rise here and charge the federal government with discriminating against Rimouski voters and its representative. Facts are facts, and a careful study of the measures passed by Ottawa in favour of the riding of Rimouski bear witness to the solicitude of the federal government in providing Rimouski with its full share of subsidies, grants, etc. Public works, harbour installations, subsidies to the ferry *Père Nouvel* in service between Rimouski and the north shore, are amongst the main contributions of the federal government to my riding. Such a kind of co-operation is to the credit of the government. Speaking of co-operation, I would like to thank the hon. member for Saguenay (Mr. Blouin) for helping as concerns the proposals made with a view to solving the problem of the ferry between Rimouski and Baie Comeau.

I believe repairs and wharf installations at Pointe au Pere and Trois Pistoles will again be subsidized this year by the federal government. When the facilities become available the ferry *Le Razade,* which operates between Trois Pistoles and Les Escoumins, will give the required service which is necessary for the development of our region. Incidentally, when will a deep water wharf be built in Trois Pistoles? The existing wharf is situated on a ridge and requires the dredging operations which are bothersome for all parties concerned. It is said that a deep water wharf could be built at little expense about two miles east of the existing structure.

Trois Pistoles is a growing maritime centre and consideration should be given to the establishment of a shipyard in that community. That is the unavoidable conclusion to which we have come after a thorough examination of the problem.

The constituency I represent in this dignified chamber is, as everybody knows, one of those regions affected by economic stagnation. I will admit that commendable efforts have been made in the past, particularly during the last season, by means of large winter works grants.

Thus, the city of Trois Pistoles ranked first in Quebec for its winter works program, thanks to indispensable co-operation by its civic representatives. As a matter of fact, all the mayors of the municipalities in the county I represent surely deserve to be commended for their initiative at the opportune time.

Hon. members of the house, first let us all admit that we meet here with the responsibility of giving the Canadian people the best possible government, that is the part we have to play, and also our responsibility. Indeed, did we not promise it to our voters, to all those men and women in our respective ridings, even before undertaking this task with a solemn oath to Her Majesty, our gracious and glorious Queen, Elizabeth II.

I am very far from agreeing with those who want another election to settle our

political problems in Canada. The attitude of those who try to abuse the masses by their sustained effort to rouse one family against the other in a fight based on linguistic, racial and religious prejudices and even go as far as to hold the public or political authority entirely—not to say solely—responsible for troubles which are inherent to our earthly life, such attitude cannot be accepted.

As I said a moment ago, such attitude tortures people and distorts active democratic principles because another federal election, in Quebec at this time, would I am sorry to say, just delight all those who could not care less about the present needs and responsibilities.

We have a tremendous task to carry out here for four years, or longer if needed. At the end of that period, this parliament will have, I hope, the satisfaction of handing over to those who will form the twenty seventh parliament better conditions than the ones it inherited.

Furthermore, from the Macdonald-Cartier administration in 1867 down to the present time, Canada has profited by its politicians' solicitude. In every period, our Canadian people have freely recorded their epic events as well as their tragedies.

As I am now more fully aware of your kindness, hon. gentlemen, here is another remark which I would like to submit to your serious consideration.

The constituency which I represent is bounded on the north by the St. Lawrence and on the south by New Brunswick. This constituency is part of the senatorial division called Gulf, which is represented since July 1955 by a Canadian of Irish extraction. This hon. senator was a member of this house for 30 years and he is a valuable man in his political party because he is quite devoted to each and everyone. We must say that about him.

I shall therefore raise the following matter, which is of great concern to me, and I should like if possible to call the attention of government members, of Liberal members, to it, because it is serious and urgent.

Since the beginning of this century, the party in office at present has ruled over, or rather has controlled the appointments to the Senate for 43 out of the last 64 years.

As far as Acadians are concerned, I wonder why the Liberals have not treated fairly those fine Canadians who, moreover, support the Liberal party both at the federal and at the provincial levels? Shall we have to wait for another administration in Canada to get an answer, a solution? No, it would be really sad, even tragic. I do believe that we deserve another Sir Charles Tupper in Canada.

[Mr. Ouellet.]

Mr. Speaker, if I talk like that, it is to claim fair representation for the Acadians in the Senate and also to solemnly state that I am not a separatist; I do not want to forsake, spurn or reject my compatriots in the other provinces of Canada. I feel that the confederation sanctioned by the Macdonald-Cartier ministry has until now justified the hopes of men who know the value of peace, peace within ourselves and with others.

Some might consider this statement rather daring, but it is a matter of deep faith and hope. Yes, we have our political independence in Canada. What we must still get is our economic independence, because we are under the domination of foreign, especially American, capital.

As I say, if there is a minority that we of Quebec must hold dear—in fact, our past attitude is not too glorious in that respect—it is certainly the Acadians. Have the most ardent nationalists of our province held a dialogue with French Canadians outside Quebec? Do they realize now that those who hurt them the most are the selfish Canadians who commit the sin known to anyone who has read Genesis, that of Cain, the hateful man who refused to show brotherly love to Abel.

In New Brunswick, where 40 per cent of the people are of Acadian origin, the premier who is an an Acadian himself has a hard time giving his people satisfactory economic conditions. We Quebeckers must throw in our lot with these admirable fellow citizens.

I am most pleased to tell you that I have had many opportunities to meet the people of northern New Brunswick where I have many relatives and friends. As I came to know them and their area, I rapidly formed a lasting friendship with those noble people, the most loyal subjects of Canada. These people constitute, in my opinion, one of the greatest treasures of our national inheritance.

I believe that everyone here no matter what part of this vast country he comes from, can acknowledge that I speak the truth. They settled here over 360 years ago and their unrivalled history is that of a people which would not disappear. Acadians, my cousins, my brothers, the Canadian confederation must be for you the subject of your most noble hopes.

Incidentally, I long for the day when we have a road, a highway connecting my county, from the St. Lawrence river to Moncton, the metropolis of the Acadians; a road which would go, for instance, from Bic, the centre of farm unionism, mutualism, cooperatism, in the lower St. Lawrence region, the Switzerland of lower Quebec, adorned by the Ile-au-Massacre, a memento of our civilization, would be an ideal starting point

towards the land of Evangeline. Such a motor trip would be for me, I dare say, a heavenly ride.

Mr. Speaker, may I exhort, even beg the Minister of Transport (Mr. Pickersgill), the Minister of Labour (Mr. MacEachen), the Solicitor General (Mr. MacNaught); the Minister of Fisheries (Mr. Robichaud), the Minister of Forestry (Mr. Sauve) to get together in order to promote the official recognition of the French language in New Brunswick before July 1, 1967.

In fact, recently we learned that the hon. member for Iles de la Madeleine, stronghold of the Acadians, was appointed minister in the federal cabinet to administer the Department of Forestry. So it is in order to congratulate the holder of this office, without forgetting to thank the Prime Minister (Mr. Pearson). No doubt, it was a nice surprise for the population of that constituency established in 1947.

Mr. Speaker, I should like to make a final appeal in favour of the rights of democracy in Canada.

Canadian democracy should not be used exclusively for political purposes where strength, trickery and profit too supersede the love of peace, justice and liberty. Let us face it, the power of Canada resides primarily in the soundness of its domestic markets. What are we doing for the economic and financial independence of the Canadian family? Have we, here in Canada, a policy concerning the Canadian family? We are unfortunately going ahead very tremulously in that regard.

In 1950, the federal government was more than making ends meet; it showed a surplus, with less than $2½ billion for the year. This year it is asking for more than $7 billion. Therefore, the budget has nearly tripled in 15 years.

I am a member from Quebec province. What is happening there? Well, if we go back a few years, we find that at that time, the provincial government could get along on less than $500 million a year—more than that, it succeeded in reducing its public debt; today the provincial government expenditures reach a billion and a half.

The government's share has tripled, that is, it has tripled in Ottawa, and tripled in Quebec; the municipalities and the school boards, in the last 15 years, have had a similar experience. However, the income of the Quebec family, the rural family specially, has not tripled, no, never. Yet, we, the federal members, have seen our salary tripled, while that of the Quebec members has quadrupled since the war.

I realize that these facts are not very interesting. Nevertheless, I think that we must straighten out things if we are to discharge our duty honourably here.

It seems to me, for instance, that any family concern, whatever it may be, should be protected and should also get some assistance. The family is the main cell or the basic cell of society.

Do not our family allowances, as they are nowadays in 1964, condemn our political system? We claim that we are always supporting the values of Christian civilization. Does not capitalism, through its abuses, expose us at present to the disorders and ruin which are brought about by bolshevism?

Let us be practical. A new alignment is required at this time because we are choking in a materialistic atmosphere. Canada with its human resources of all races, with the superabundance of its natural resources, our national natural resources, has been endowed by Providence for our welfare, that is the welfare of all Canadians over and above everything. Yes, Canada must provide for each family everything that a national birthright can guarantee. Therefore, let us fully dedicate ourselves right now to the imperatives of our time.

The one you have just heard is trying to speak on behalf of the man in the fields. I do not wish to hold any party or any member in check by the stand I am taking here.

I do not claim to be here for ever either; besides there is nothing permanent in this world. I come from the hinterland to make a heartfelt appeal to this dignified and majestic chamber and in so doing, I think I am the faithful voice, at least I earnestly hope so, of dozens of generations which have lived peacefully on the banks of the majestic St. Lawrence river.

[*Text*]

Mr. B. S. Mackasey (Verdun): Mr. Speaker, having listened in relative quietness for the last two weeks to the debate on the supplementary estimates I welcome this opportunity to take a more vocal part in the deliberations of the house. Indeed, remembering the rather strange atmosphere that prevailed in the house during the last few weeks, I hope there is nothing in my speech that may do anything to reintroduce that type of ill will which we can do very well without in the house.

Certainly, Mr. Speaker, when I voice the opinion that possibly the economy of Canada is on the march once again, I am sure I have the full support of all hon. members of the house. The fact is that unemployment is practically non-existent in some parts of the country, and in others it is at its lowest point in many, many years.

Almost daily, presidents of our large corporations are tabling their financial reports

showing record profits, and our experts are predicting not only a greater share of the export market but that the present boom might very well continue into 1965.

I have not been long in the house, but long enough to witness the presentation of two budgets, and I may say that possibly this latter budget is but a continuation or an appendix of the first one presented by the Minister of Finance. I remember taking part in the budget debate last year when I predicted that some of the less noticeable parts in the budget would help the Canadian economy long after some of its more controversial aspects passed into oblivion. I can give one prime example of such a hidden factor in the minister's first budget. I refer, for instance, to the obvious and perhaps unexpected success of our auto parts industry as a result, not only of the first budget, but of enlightened legislation introduced by the Minister of Trade and Commerce to support that budget.

The *Financial Post* of April 4 had an article headed "Car parts spreading prosperity all over". The article lists possibly a dozen or more small, independent, Canadian auto parts manufacturing firms which will have to expand because they are in the happy predicament of having more orders than they can fill with their present facilities.

Appearing elsewhere in the same issue of that newspaper is a table showing that last year we exported almost four times as many auto parts as in any year previously. Another article in that newspaper, in the same issue, written by Knowlton Nash in Washington, has a headline which reads, "U.S. twitches over our auto exports . . . Ottawa plan seems to be working". This article outlines some of the things that are well known to most of us, for instance, that General Motors will be spending $120 million to build auto and truck assembly plants, and parts plants in Canada, and that Chrysler Corporation predicts that within 20 years their facilities and factories all over the world would be getting most of their more important parts from Canada.

American Motors Corporation is increasing its purchases of auto parts from Canada, especially bumpers, headlights, transmission parts and wheel covers, and the article further points out that the McCord Corporation of Detroit has placed orders for 100,000 radiators in Canada for the U.S. market in 1965.

There are many other examples in this article, which I do not intend to read into the record at this time, but one thing which did catch my fancy was the tribute paid to this legislation, to this boom in the auto parts industry, by a representative of the Ford Motor Company, who voiced cautiously his approval of the plan and who indicated that the Ford Motor Company would soon be part and parcel of it. I think that tickled my fancy, and what I am sure will appeal to all non-partisan members of the house, is the fact he referred to the plan as the Drury plan. This puts a stamp of approval on it by the automobile parts manufacturers.

Now, Mr. Speaker, I would be false to myself and the party I represent if I were to say or to intimate that all was well with the Canadian economy. As a matter of fact, many pockets of chronic unemployment that exist across the country are a source of concern to all of us, and perhaps even more so to me because I come from la belle province du Quebec. I feel very strongly about this problem because I think it is one of the contributing factors to the strength of the separatist movement in Quebec.

As a resident for 42 years of that province, as one who has had the privilege of breaking bread with French Canadians, as one who respects their traditions, language and culture, I feel strongly that the separatist movement could not stand alone on its emotional appeal to the French Canadians. Coupled with the tendency towards separatism was the despair and resentment that is a by-product, and a bad by-product, of chronic unemployment. Picture, if you will, Mr. Speaker, the undue publicity this movement gets outside the province of Quebec. I usually go home at the week end. Later I pick up the papers in the parliamentary reading room on Mondays, Tuesdays and Wednesdays, and on reading them I do not recognize the province of Quebec where I have just spent two days. But I do feel that many irresponsible leaders in French Canada, leaders in politics, leaders in the newspaper world, leaders in our different organizations, are harnessing and using this movement for their own selfish short term gains. So, like everybody else in this chamber, I would welcome the disappearance of chronic unemployment in Canada.

I was not in the house earlier today when the hon. member for Greenwood (Mr. Brewin) spoke very eloquently, I understand, but I appreciate the sentiments he expressed toward the province of Quebec and as to the necessity for tolerance and understanding in this country. In my view, Mr. Speaker, we were all elected to this house because we were supposed to be 265 people with intelligence, tolerance and the ability to see the other man's point of view.

There is one last article in the *Financial Post* to which I should like to refer, and it touches on a different subject. It is written by a lawyer, John McDonald, Q.C., a very prominent person in the economic field. I am

interested in the article not because I want to refer to its contents, although I think some of the economists in this house and would-be economists would do well to look at it. I am interested basically in the headline which is in these words: "How to Buy Back Canada". It is particularly significant to me because I think it represents to us a fact about which many deep thinking Canadians are perturbed and worried. I refer to the fact that daily more of our heritage and our children's birthright disappears into the hands of friendly but foreign interests.

I pay tribute to the Minister of Finance (Mr. Gordon) this evening for having at least paid some attention to this problem. Whether or not we agree with the method he employed is another matter. Certainly economists, like lawyers, are a breed that tend to disagree. But the important thing is that the Minister of Finance is aware of the problem and is searching desperately for some solution, in the same way that many other Canadians are, as Mr. McDonald indicated. Before I go on record in the mind of any member of the house as being against foreign capital, may I say I think it is our duty to encourage foreign capital to come into Canada, but I think that the type of foreign capital we need is that which comes into our country in the form of loans or debentures, the type of capital which comes into this country under a contract specifically stating when we can pay the money back and at what interest. This country can ill afford any further domination of its economic future.

If, as some cynics seem to feel, the time is perhaps even too late to win back any part of our economic control, there is one field where I believe we can do something. I refer to the gradual domination of our field of communications by outside interests. I feel very strongly on this point because in my view communications and culture are synonomous in the world of today, and what would Canada be without its Canadian indentity and Canadian culture? I think history will at some time in the future pay tribute to the part that French Canada has played in retaining the French culture and therefore a Canadian culture.

The fields of communication which I believe should be kept purely and simply all-Canadian are radio, television, our daily newspapers and our periodicals. Living as we do next door to a nation which for the most part shares our language, our common heritage and our democratic principles we are faced with the danger of losing control of our culture and communications in the same way we have lost control over so many of our industries. That is why I am a strong advocate of the C.B.C. While I do not believe that the C.B.C. is above criticism, that it does not need reform periodically or a new financial administration, I shudder when I see well meaning members stand up in the house and, by their questions, their suggestions and their pleas try to reduce the C.B.C. to a pale carbon copy of our private radio and television interests. In my view the C.B.C. was one of the greatest single forces and factors in the emergence of Canada as a nation, and when and if the C.B.C. is watered down to that carbon copy to which I have referred I believe we will have witnessed—

Mr. Horner (Acadia): It should be worth watching then.

Mr. Mackasey: Our expert in lariats is back again. Happy birthday.

I feel that when that day comes we will have begun the acceleration of the end of Canada as a country. I feel just as strongly about our daily newspapers. It is an open secret that at the present moment strong forces are uniting in the United Kingdom to enter the Canadian market by buying some of our daily newspapers. I wonder what would happen if the molding of our editorial comment, the shaping of public opinion, were to pass out of Canadian control into foreign domination. Who would be left to help us fight against the constant encroachment into Canadian industry?

An hon. Member: The Conservative party.

Mr. Mackasey: We are not the only country which has had this problem. France recognized it in 1944. Many members of the house know that France lost a very important segment of its daily newspapers before the last war. In 1944 France introduced legislation and I should like to read into the record one clause:

> All owners, partners, shareholders, silent partners, financial backers or other persons financially interested in a publication must be of French nationality.

This is the type of positive clearcut action that we need to protect our communications in Canada.

Mr. Horner (Acadia): Give us your opinion of *Time* and *Reader's Digest* while you are at it.

Mr. Mackasey: Our great friend is back again. One rather looks for hon. members on that side to have enough courtesy to keep quiet while a member is speaking. I may get to *Time* and *Reader's Digest*.

Mr. Horner (Acadia): You were reading your speech so well that I thought you needed a few interruptions.

Mr. Mackasey: Mr. Speaker, the government has indicated its intention to introduce

legislation at this session of parliament to help Canadian periodicals. It is designed to make advertising in Canadian periodicals more attractive than advertising in American periodicals. It is a well known fact that most of our periodicals are doomed to extinction unless some financial assistance comes their way. That is why I believe that *Reader's Digest* and *Time* must not be exempt from the proposed legislation. I feel very strongly that *Reader's Digest* and *Time* magazine are American publications, have always been American publications and fully intend to remain American publications. It is my strong view that so far as the editorial content of a magazine is concerned the nationality of the people who write the editorials should be the criterion, whether or not a magazine is Canadian or American. The fact that it is printed in Canada, Mr. Speaker, is incidental, and it is the source from which the dictation of its editorial policy comes that is a deciding factor. I cannot, for the life of me, see how two United States magazines, owned by United States capital, can consider themselves to be Canadian publications merely because they contain four pages of Canadian material.

I often wonder what the policy of these particular magazines would be, if they were forced at some date in the future when our two countries may not see eye to eye on a common problem, to take a stand. Would they take a stand for the Canadian point of view or the United States point of view? May I just allay the fears of the many readers of *Time* and *Reader's Digest* in this country? I fully believe that if the legislation is extended to include *Reader's Digest* and *Time*, these two excellent magazines will continue on the newstands because they are basically excellent magazines. We have other excellent magazines that are out and out United States publications and make no pretence about being Canadian. I could cite as examples, *Saturday Evening Post*, *Fortune* and many other magazines. I feel that I must, here and now, reserve my right to speak again when this legislation is brought before the house.

I feel, in view of the situation in relation to the province of Quebec, the time has come when our newspapers, periodicals and opinion formers, our professors, teachers, indeed all Canadians must take a good look at the problem of being Canadian today. We must now put political expediency aside; we must put regionalism aside, indeed even politics aside, if this country is to meet the challenge that lies before it. It is time for the members of this house to show some of the qualities which it was presumed they possessed when they came into this house. It is time that English speaking members showed some responsibility outside the house when they are discussing Quebec, and it is also time some of our French Canadian members used a little discretion, a little more restraint when speaking inside the house.

In conclusion, Mr. Speaker, I want to say that it was suggested to me a few hours ago that, when I suggested the possible inclusion of *Time* and *Reader's Digest* in this proposed legislation, I did so because I represented hidden interests. I can assure you, sir, and the house that nothing is further from the truth. Like so many other members here I came to this house with no special talents; I represent no wealth, no pressure groups, but I do represent 90,000 Canadians and I have the courage of my convictions and a willingness to express them in this house. I am one Canadian who is prepared to stand up and be counted when Canada is at stake.

Hon. Marcel Lambert (Edmonton West): We have heard, Mr. Speaker, during the resumption of this budget debate a complete review of all sorts of adjectives applied to this budget. In fact, I sympathized with the hon. member for Greenwood (Mr. Brewin) when he was attempting to find some new ones. I must say that I thought his efforts sounded a little laboured.

In so far as this budget is concerned, I think the Minister of Finance (Mr. Gordon) must feel fairly secure, at least secure in the knowledge he is not going to win any Oscar. After all, we understand that there is a performance in some other place tonight in which Oscars are being awarded. I do not believe last year's performance or this year's will give the minister any nomination for that award. As a matter of fact, Mr. Speaker, the minister last year reminded me a little of the hot-shot rookie coming up to the national hockey league. He goes out for the first game and, with a great burst of speed cuts around the goal but, somehow or other, he steps on a piece of tape and you know where he lands. This year, he has come out a second time, but much more cautiously, and may suffer from that a bit.

In any event, let us look at this budget. Without anticipating the debate that may follow on some of the resolutions, there is one item I should like to bring to the attention of the house. I refer to paragraph 7 of the income tax resolution under which a taxpayer, in computing his income, may have amounts expended by him in relation to the objection to his assessment, or an appeal from an assessment, and shall include in computing income any costs recovered in respect thereof. I hope the minister has some detailed explanation of the limitations that

will be imposed on this provision. I hope my fellow lawyers are not going to take me to task, or even the accountants, but if severe limitations are not imposed on this provision I can foresee one big field day.

Who is going to say what are the costs of filing an objection to an assessment, or of prosecuting an appeal? I must say, therefore, we will undoubtedly get a clarification of this point. When we merely say that the taxpayers are going to be allowed the amount expended by them in this fashion, I think we are glossing it over. I feel we are going to get a lot of restrictions indicated by the minister when we come to a discussion of this resolution. Let us not look at this as a whole bag of goodies, because they just are not going to be there.

I should like to refer now to the other matter I had in mind. If we look at the estimates we know that the Minister of Finance indicated that in 1964-65 he expected a budgetary deficit of $402 million. The hon. member for Digby-Annapolis-Kings (Mr. Nowlan) has indicated quite clearly, as have a number of other hon. members, that in order to get down to this figure of $402 million the minister is going to have a windfall this year of some $170 million as a result of an acceleration in the payment of corporate income tax. This, of course, is something that has to be examined in proper perspective, and the indications are that, if it were not for this sum the deficit would be back to $585 million. I am not suggesting that we should be shouting for higher and higher deficits. As a matter of fact, when I listened to the hon. member for Nanaimo-Cowichan-The Islands (Mr. Cameron) I thought that apparently that wing of the party says: We could not care less about the size of the deficit; spend and spend.

On the other hand, the hon. member for Greenwood (Mr. Brewin) expressed his regret this evening that the minister had not imposed a tax cut. I do not know how these hon. members intend to get the best of both worlds.

An hon. Member: That would be a good way to get a deficit, though.

Mr. Lambert: The hon. member for Nanaimo-Cowichan-The Islands (Mr. Cameron) was not talking about tax cuts. His idea was just that we should spend the money. The hon. member for Greenwood did not have much to say about spending programs. He wanted the minister to cut taxes.

In any event, there is an item of $14,250,000 which I think the minister has tucked away neatly. I do not think this item appears where it should appear and where it will, ultimately appear. I refer to loans. He has made a loan to the C.B.C. of $14,250,000 for capital projects. But how does he anticipate that this will be repaid? This corporation, unlike Atomic Energy of Canada, for example, is not a profit-making crown corporation. The C.B.C. takes anywhere from $75 million to $95 million from the treasury each year to meet the obligations imposed on it by the Broadcasting Act. Yet the minister lends the corporation more than $14 million. We would certainly like to know how the corporation intends to repay it. I am sure it is not the president of the corporation, or the vice president, or any of the board of directors who are going to repay the loan. Somewhere along the line, two or three years hence, the minister will have to write off this loan and the amount will then have to go on the expenditure side. I think, therefore, we should raise the amount of estimated expenditure by this $14,250,000.

There is not much time left before ten o'clock and I had intended to speak about two points relating to sales tax. However, I think I will leave them until we are discussing the resolutions on excise tax.

Mr. Gordon: You will have a hard time doing that. There are none.

Mr. Lambert: Well, the application of sales tax to production machinery came into effect last year. I hope, Mr. Speaker, you will grant me a little indulgence; I do not intend to discourse on matters which have been covered before. I think the minister is aware of this problem. It was raised last year and I indicated it would arise, particularly in respect of goods acquired prior to June 13 but delivered subsequently. We face a real problem in the city of Edmonton. As a result of a tender, the city entered into an agreement for the purchase of a steam turbine generator at a cost of some $2,200,000. The minister indicates, in the correspondence which I have read, that unfortunately the city will have to pay the sales tax because they did not buy this machinery for re-sale to someone else—in other words, they were not committed to pass it on to someone else at a firm price. But this turbine will not be delivered and installed before 1965. Because the city bought it for its own use for the production of electricity within the community, it now has to pay the sales tax. Strangely enough, if the city had bought this turbine through an intermediary who was importing it into the country from Britain, there would have been no sales tax.

I confess I find some difficulty in understanding the logic of the position. If this turbine had been bought by an intermediary for the city of Edmonton for delivery there would have been no liability for sales tax. Yet because the city buys it, and because part

of it is made in Canada, sales tax is to be charged. I submit that the explanations given by the minister last year, the nature of the hon. gentleman's speech, indicated that this steam turbine would not be subject to sales tax. Nevertheless, in the cold light of administration, we now find that the tax has been imposed.

With respect to loans to university students, I would draw the minister's attention to the proposal put to him and to members of this house by the Canadian union of students who prefer some sort of scholarship bursary grant based on scholastic attainment and on need. As to this whole matter of interest free loans, it will be most instructive to see how the banks will, in fact, administer them.

I was gratified to hear the remarks of the hon. member for Verdun (Mr. Mackasey) with regard to *Time* and *Reader's Digest*. *Reader's Digest* is, I think, harmless with respect to the pressure it could bring to bear, but I can assure the hon. member that if there ever was a difference of opinion on policy between Canada and the United States all he needs to read is the editorializing which is done in the other publication and he will see just where the pressure is applied. I believe the proposal which the government is now making is just one which will lead to the rich getting richer and the poor getting poorer. What is being done is to enshrine in legislation the precise anomalies which existed previously, shutting out competition from *Time* and *Reader's Digest* and building a beautiful protective fence around them so that the other publications are in a worse position. The advantage about which we have complained is now to be protected by legislation. For this reason I think the government should take another look at this proposal. I do not approve this principle of exempting particular publications. It is like picking out one taxpayer and saying to him: We intend to let you get by; you do not need to pay this particular type of income tax. Or: We intend to give you a particular exemption, or an accelerated rate of depreciation. To my mind this is a bad tax principle and the sooner the government can get rid of it the better off we shall be.

May I call it ten o'clock?

BUSINESS OF THE HOUSE

Mr. Churchill: I should like to ask the leader of the house what business we shall have before us on Wednesday and the rest of the week, if he is able to tell us.

Mr. Favreau: We shall, of course, be completing the budget debate tomorrow. As to Wednesday and the rest of the week, and maybe the beginning of next week, I hope to be in a position to make a full announcement some time tomorrow afternoon.

It being two minutes after ten o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Tuesday, April 14, 1964

The house met at 2.30 p.m.

EXTERNAL AFFAIRS

REPORT OF SEVENTH MEETING OF CANADA-U.S. INTERPARLIAMENTARY GROUP

Mr. Speaker: By leave of the house, and perhaps by way of a happy coincidence with the subsequent visit, I hope, of a distinguished guest, may I lay on the table in English and in French the report of the seventh meeting of the Canada-United States interparliamentary group. A report in identical terms is being tabled in the other place by its Speaker, who had the honour of sharing with me the chair at these meetings. The meeting was conducted in two committees, one which considered economic matters and the other defence and foreign policy. The appendices to this report include reports of the discussion in each of these committees, which have been agreed upon with our United States colleagues, and they are being reported to the two houses of congress.

Is it the wish of the house, in keeping with past practice, that this report and its appendices be printed as an appendix to *Hansard*?

Some hon. Members: Agreed.

Mr. Speaker: It is agreed that this report and its appendices be printed as an appendix to *Hansard*.

[*Editor's note: For report referred to above see Appendix "A".*]

PRIVILEGE

MR. SPEAKER—STATEMENT ON QUESTION BY MEMBER FOR YUKON

Mr. Speaker: While I am on my feet I may deal with the so-called question of privilege which was raised yesterday by the hon. member for Yukon.

Yesterday the hon. member for Yukon rose on a question of privilege respecting certain statements made by the Minister of Justice on Thursday, April 9. The question, he said, "is one which involves two separate factors, one concerning the translation from English to French, and second the translation from French to English as relayed by the translators in the translation booths". Following in the footsteps of the hon. member I will deal with this question first of all.

It is certainly inaccurate to use the words "translation" and "translators" in the present case. What we have in the house is rather "simultaneous interpretation" by "interpreters". The hon. member for Yukon adds that in this particular debate the translators did break down for a moment. One who understands the difficulties and niceties of both the English and French languages would surely realize that it is impossible to make a satisfactory simultaneous translation. The interpretation comes first; the translation follows, and is something else. Therefore only the text itself or the translation which appears the next day can be used exceptionally as a basis for a question of privilege, if such a question of privilege is at all admissible.

The hon. member, who is a student of parliamentary procedure, when he rose to speak yesterday had just heard a statement from the Chair to the effect that members should not raise so-called questions of privilege on matters which should be dealt with as personal explanations or corrections, either in the debates or the proceedings of the house, and that questions of privilege ought rarely to come up in parliament. When the hon. member objected to the use of the words "something that is false both in fact and in law" he must have known that the opinion I had just given was just as applicable to the use of those words by the Minister of Justice as it had been to the use of the same words by the hon. member for Joliette-L'Assomption-Montcalm. What I said then, which I can only repeat now, is that if the word "false" was applied to things said and not to an hon. member, the term ceases to be unparliamentary. Surely the hon. member does not expect me to revise my decision at this time.

I can only conclude that the allegations of the hon. member, in the circumstances in which they were made, that is after I had just ruled on the matter, do not fulfil the conditions of parliamentary privilege but constitute an abuse of the rules of the house.

Mr. Erik Nielsen (Yukon): I wonder if I might ask whether Your Honour would deal with the other two points I raised yesterday in making my question of privilege, namely the further use of words by the minister—

Question of Privilege

Mr. Speaker: Order. I believe I have covered the subject sufficiently, and this is not the time for debate.

Mr. Nielsen: Then I must rise again on a further question of privilege.

Some hon. Members: Oh, oh.

Mr. Nielsen: The question of privilege I raised yesterday dealt, in addition, with the words used by the minister which are to be found on page 1964 of the official records of the debates of this house—

Mr. Speaker: Order. Is the hon. member rising on a new question of privilege? If he is discussing the opinion I have given he is very much out of order.

Mr. Nielsen: I do not for a moment intend to question the decision which Your Honour has already given. I simply say that as part of the question of privilege I raised I referred to the words used by the minister—"such statements are a hateful betrayal of the truth, of the facts and of the law"—and suggested they should be dealt with by Your Honour and that you might decide whether the use of such words by the minister was parliamentary.

The other point I raised was this. The minister intimated that the translation into the English text of *Hansard* of the French words he used did not give the same meaning. I suggested yesterday that I should be entitled to have the English text altered so that it might agree with the French text. I feel these points should be dealt with. Perhaps Your Honour might take them under consideration and let me know tomorrow.

Mr. Speaker: In the circumstances I do not think it is necessary to give further time and attention to the subject.

SHIPPING

STATEMENT BY MINISTER ON GREAT LAKES WATER LEVELS

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): I should like to lay on the table a report dealing with the matter raised by a number of members in the house namely the water level of the great lakes. Since the statement I have prepared is of considerable length, and since I believe it would be valueless unless read, I ask permission to have it printed in *Hansard*. I should like at the same time to table two copies of the 1961 report of the international joint commission entitled "Water Levels of Lake Ontario" which deals with the water levels of the great lakes system.

A number of hon. members have asked what plans are being made for the relief of this problem. I must tell them we are aware of the plan in respect to the so-called Grand canal in connection with which it is proposed to generate power from three rivers in northern Quebec and to use as a storage basin Abitibi lake, thence to have the water flow south to the great lakes system. It is the opinion of the appropriate branch of my department that any cost efficiency study of this plan should be preceded by a conference between the provinces of Quebec and Ontario, who are the owners of the resources.

May I have permission to table these documents?

Mr. Speaker: Does the house give permission?

Mr. Stanley Knowles (Winnipeg North Centre): As to the request that this statement be included in *Hansard* without being read, I should like to suggest it be included as an appendix. It seems to me that putting into the pages of *Hansard* statements which are not read is a questionable practice.

Mr. Speaker: Does the house consent to this statement being printed as an appendix to today's *Hansard*?

Some hon. Members: Agreed.

[Editor's Note: For text of document above referred to, see Appendix "B".]

[Later:]

On the orders of the day:

Mr. Heber E. Smith (Simcoe North): Mr. Speaker, flowing from the statement of the minister of northern affairs—or perhaps, more accurately, not flowing from his statement—I have a question for the Minister of Public Works. In view of the exceedingly low water levels in the great lakes, are any plans being made for emergency dredging in those harbours where shipping is being seriously affected?

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

Mr. D. R. Mitchell (Sudbury): Mr. Speaker, I have a question for the Minister of Northern Affairs and National Resources. Is the minister aware that private sources are prepared to make a survey of the Grand canal project and, if so, is his department ready to give all necessary assistance to this survey?

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

PENSIONS

CANADA PLAN—PROPOSED POSTPONEMENT OF CONSIDERATION

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): We have been led to believe

in the house that the Canada pension bill would come up for consideration at the conclusion of the debate on the budget. Now I understand there is to be a postponement in that connection. Does this postponement mean that the present pension bill is to be altered or changed in any way? Will there be a revision of the revision in order to meet the position of one or other of the provinces?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, at the recent conference in Quebec the government of Quebec made available the main details of the pension plan which it was proposing to introduce as a provincial plan, and many of the provincial governments indicated at that time their interest in it. We in the government have been examining this plan, which is the only other pension plan that has been proposed by any Canadian government. If by making alterations to the federal plan, without changing the principles on which it must be based, we can ensure that a plan, when adopted, will be uniform across Canada with the same terms applicable to all the people of Canada, we feel that we would consider making these necessary changes, though not departing from the principles of our bill. That, I think, would be an important step toward national unity, and we are examining the other plan in that context.

Some hon. Members: Oh, oh.

An hon. Member: Another withdrawal.

Mr. Diefenbaker: Does this somersault mean that negotiations are going on between the government of Canada and the government of Quebec whereby Quebec will agree to enter this plan provided its scheme is accepted by this parliament? With regard to the amount, is it intended to raise the amount from $75 to $125 in order to bring the two systems into agreement? Is it intended to provide survivor benefits, and is there to be an endeavour to include those other classes—

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a point of order.

Mr. Diefenbaker: Again to the rescue.

Mr. Bell: Bail them out.

Mr. Knowles: Perhaps I can put my point of order in the form of a question. May I too participate in this debate on the Canada pension plan?

Mr. Diefenbaker: Mr. Speaker, may I answer the point of order. It seems to be the invariable custom of the hon. gentleman that whenever a matter arises that does not please him particularly and the government needs co-operation, he steps into the breach.

Some hon. Members: Oh, oh.

Some hon. Members: Hear, hear.

Mr. Knowles: Mr. Speaker, I press my point of order, and I do so because of the concern that five or six of us are feeling as a result of the fact that as members of a special committee we are grappling with the rules of the house. One of the rules with which we are grappling is that regarding questions. We understand that in questions on orders of the day it is appropriate to ask for information. It is not appropriate to give information or to enter into a debate. It is the belief of some of us that this rule applies to all members of the house, including the Leader of the Opposition, but day after day we have to listen to speeches by the Leader of the Opposition in this house at question time.

Some hon. Members: Oh, oh.

Some hon. Members: Hear, hear.

An hon. Member: You are making a speech.

Mr. Knowles: It is a point of order. If the rules of the house are going to be observed and if we are going to be asked to improve the rules of the house, I submit that obedience to them is obligatory on all of us, including the Leader of the Opposition.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: The wonderful reception that the hon. gentleman's remarks have received from the other side indicates that they appreciate his intervention. I was asking whether or not certain terms would be included. If that was not a question I do not know what it was. I asked whether certain terms would be included in the arrangements being made. We are naturally anxious to know why the government that has pressed, and properly so, a pension bill, adjourns it for some purpose or other every time it comes up. I ask that question, and I should like an answer to it.

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, on a point of order.

I would like to point out that we, in this corner of the house, would also like to see the rules respected by all. Moreover, we point out that the Leader of the Opposition (Mr. Diefenbaker) takes the liberty of making speeches during the question period whereas we, in this corner of the house, do not even have the right to do so.

Under the circumstances, I submit that the point of order raised by the hon. member for Winnipeg North Centre (Mr. Knowles) is well taken and that, consequently, the Leader of the Opposition should, in his turn, be called to order so that he will put his questions the way we are supposed to.

[*Text*]

Mr. Pearson: I do not know whether you wish to make a ruling at this time, Mr. Speaker, upon the violations of procedure indulged in by the right hon. Leader of the Opposition. If you do, I will be glad to answer his question after you have dealt with the matter.

Mr. Diefenbaker: I object to that word "violations". I keep within the rules—

Some hon. Members: Oh, oh.

Mr. Diefenbaker: —at all times that it is within my power.

Mr. Speaker: It seems to me that soothing words should be applied at this moment. I should like to make the position of the Chair clear. There are officials in the house. It is understood that all members have the same rank and the same privileges. On the other hand, there is an officer called the Prime Minister of Canada, and there is another officer of the house called the Leader of the Opposition. When the Leader of the Opposition is a former prime minister of this country it seems to me that with that experience and the responsibility he has shouldered in the past, the Chair is entitled to rely on his judgment to a certain degree.

Furthermore, it seems to me that in the presentation of this question, which is an important one, the right hon. gentleman may have taken a bit too long in outlining the question, but his remarks were germane to the question which was put. He was not, therefore, interrupted by the Chair. I have to rely on the experience and good will of the right hon. Leader of the Opposition to obey the rules, the same as everyone else, and I feel quite sure he will.

Mr. Pearson: I wish that when I was occupying the position of leader of the opposition the same charitable interpretation had been granted to me.

Mr. Monteith: Don't be a child.

Mr. Pearson: However, I shall deal with the statement made by the Leader of the Opposition. He referred to procedures in the house last evening by the chief whip of the party as a somersault. This is a description of a procedure about which the right hon. gentleman does not know anything.

Now, Mr. Speaker, if the right hon. gentleman wishes to describe as a somersault a desire on the part of the government to examine the Quebec provincial pension plan, not with a view to the adoption of that plan, but to ascertain whether through an examination of it and a further examination by the provincial government of Quebec of the national pension plan we could bring about a situation where the same pension provisions will cover all the people of Canada, then that is not the term we use in describing an attempt to bring about national unity in this important field.

Mr. Diefenbaker: I would ask the Prime Minister why he did not think of consultations in this regard before he brought in the original plan.

Mr. Pearson: Mr. Speaker, for the right hon. gentleman's information there has been more consultation over the months in regard to this matter than occurred previously in regard to pension plans, but the particular detailed plan of the province of Quebec was made known to the Quebec conference only a few days ago.

Mr. Starr: Now that the pension plan has been settled, I should like to address a question—

Mr. Knowles: A supplementary question, Mr. Speaker.

Mr. Speaker: May I ask the hon. member for Ontario if he is raising a supplementary question?

Mr. Starr: No, I am raising an entirely new question.

Mr. Speaker: Then we will hear the hon. member for Winnipeg North Centre.

Mr. Knowles: Mr. Speaker, may I ask the Prime Minister a supplementary question. Is it still the government's intention to proceed in this session with a bill to establish a Canada pension plan?

Mr. Pearson: Yes, Mr. Speaker, it is; and it is our hope that that bill will include provisions which will be applicable to all the people of Canada.

[*Translation*]

Mr. Gregoire: Mr. Speaker, as a supplementary question, I would like to ask the Prime Minister whether there have been any consultations with the provincial government of Quebec since the federal-provincial conference, in view of bringing about a participation from that province to the national pension plan?

[*Text*]

Mr. Pearson: Mr. Speaker, what I said was that consultations have taken place with a view to bringing about, if it can be brought about, a situation where the same pension provisions will cover all the people of Canada, and that will require consultation not only with the government of Quebec but further consultation with the other provincial governments as well.

Mr. Eldon M. Woolliams (Bow River): Mr. Speaker, my question arises out of the answer given by the Prime Minister, who categorized the plan as an all-Canada pension plan. Does he consider it would be an all-Canada pension plan if one or more than one province does not join the plan in question?

Mr. Pearson: Mr. Speaker, I shall try to make clear to my hon. friend what I have just said. I said that we hope there will be similar pension provisions covering all the people of Canada so there will be no discrepancy between a plan in one province and a plan in another province, and no discrepancy between a provincial plan and a federal one.

Mr. H. A. Olson (Medicine Hat): Would the Prime Minister care to comment on whether he would be prepared to submit the present bill, No. C-75, to a committee so there would not be any further delay, and so the house could accept recommendations made by the committee? This would give an opportunity to hon. members in all parties to study all these rather new developments.

Mr. Pearson: Mr. Speaker, I hope there will not be any great delay in referring a bill to the house, getting second reading of that bill and having it go to a committee. However, I feel certain all hon. members would be glad to accept a few days' delay if by that delay we can bring about a pensions system better in its coverage of all Canadians than we might have if we had a federal scheme which differed greatly in many respects from a provincial pension scheme.

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I have a supplementary question relating directly to the answer the Prime Minister has just given. In reference to the parliamentary committee to be established to consider this bill, has the Prime Minister given assurance, by letter or otherwise, that the committee will be able to recommend fundamental revisions of the plan, if required?

Mr. Pearson: Mr. Speaker, the committee will have all the powers of a parliamentary committee, and will be able to make any recommendations to parliament, within its terms of reference, that it desires to make.

Mr. Aiken: My question is whether, after second reading and the bill having been adopted in principle, the committee will then have power to deal with any revisions, except minor ones.

Mr. Pearson: Well, Mr. Speaker, the hon. member is more skilled in the rules than I am and he will know, of course, that the rules governing the actions of a committee of the house will give the committee power to make recommendations back to both houses.

Mr. Eric A. Winkler (Grey-Bruce): A supplementary question, Mr. Speaker, and may I ask the Prime Minister whether he would give me a yes or no answer. Was he in fact guided by the views that I placed before the government in regard to the pension plan?

Mr. Pearson: Mr. Speaker, as I am being asked to give a yes or no answer I wish my hon. friend would repeat the question, because I did not quite get it.

Mr. Winkler: I regret that, Mr. Speaker. I am merely asking the Prime Minister whether he was in fact guided by the advice that I presented to the government in regard to the pension plan.

Some hon. Members: Oh, oh.

Mr. Pearson: Mr. Speaker, I am very glad to deal with that question, although it cannot be answered yes or no because the consultations in question began before my hon. friend's very interesting speech last night, from which I was delighted to ascertain that he was entirely in favour of this procedure.

Some hon. Members: Hear, hear.

SHIPPING

AMENDMENTS TO ST. LAWRENCE SEAWAY AUTHORITY ACT AND CANADA SHIPPING ACT

On the orders of the day:

Hon. Michael Starr (Ontario): Mr. Speaker, I should like to address a question to the Minister of Transport and ask when he expects to bring before this house amendments to the St. Lawrence Seaway Authority Act and the Canada Shipping Act, in accordance with the recommendations of Mr. Justice Norris.

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, at the rate of progress this house has been making so far in this session—

Some hon. Members: Oh, oh.

Mr. Pickersgill: —that question would appear to me to be largely hypothetical.

Mr. Starr: I ask a supplementary question, Mr. Speaker. When will the minister place these amendments on the order paper?

Mr. Pickersgill: Of course, Mr. Speaker, there are amendments to the Canada Shipping Act before the other place, which is making a lot more progress in legislation than we are.

Inquiries of the Ministry

VETERANS AFFAIRS

BRITISH COLUMBIA—REQUEST FOR LEGAL COUNSEL TO ASSIST LAND OWNERS

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to direct a question to the Minister of Veterans Affairs which is, as usual, strictly according to the rules. This question is related to the principles of the bill of rights. My question is based on the great concern of veterans resident along the Arrow lakes and the Columbia river as far north as Revelstoke with respect to the possibility of their being submerged in the early future, and the request of the veterans organizations that the Department of Veterans Affairs appoint legal counsel to assist them.

Some hon. Members: Question.

Mr. Herridge: My question is, in view of the fact that the minister of lands and forests of British Columbia has agreed to this suggestion, would the Minister of Veterans Affairs give consideration to appointing legal counsel from his department, to make certain these veterans rights are protected, these men who fought for the very land they live on?

Hon. Roger Teillet (Minister of Veterans Affairs): Mr. Speaker, I would be very grateful to my hon. friend if he would direct that suggestion to me in writing so I could give it an adequate reply. I do not think I can answer it now.

FINANCE

INQUIRY AS TO REPORT OF ROYAL COMMISSION

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, my question is made urgent due to the resolution introduced by the Minister of Finance yesterday. When can we expect the report to be brought down from the royal commission on banking and finance?

Hon. Walter L. Gordon (Minister of Finance): I hope before the end of this month, Mr. Speaker.

LABRADOR

INQUIRY AS TO BOUNDARY BETWEEN QUEBEC AND NEWFOUNDLAND

On the orders of the day:

Mr. Robert C. Coates (Cumberland): Mr. Speaker, I have a question for the Prime Minister. Has the government been contacted by either the government of Quebec or the government of Newfoundland with regard to the suggested bartering of land in Labrador between those two governments?

[Mr. Pickersgill.]

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I understand that the question deals with boundary matters concerning Newfoundland and Quebec. If I am right in that, the answer is no.

LABOUR RELATIONS

B.C. FISHERMEN'S STRIKE—REPORT OF ARBITRATOR

On the orders of the day:

Mr. Grant Deachman (Vancouver Quadra): Mr. Speaker, I have a question for the Minister of Fisheries. Has the minister received any report from the arbitrator who was named to negotiate a settlement of the dispute between the fishermens union on the west coast and the fisheries association on the price of salmon this year?

Mr. Monteith: Order paper.

Hon. H. J. Robichaud (Minister of Fisheries): Yes, Mr. Speaker, I have received the report in question.

Mr. Speaker: Order. Unless the minister is prepared to answer immediately, that surely is a question that would be better placed on the order paper.

[*Later:*]

Mr. Barry Mather (New Westminster): Mr. Speaker, I have a question for the Minister of Fisheries. I understand that the Department of Fisheries has received the eagerly awaited report on the fishing dispute in British Columbia. My question is, if so, would the minister be agreeable to tabling that report?

Mr. Robichaud: Mr. Speaker, I received yesterday the decision of Mr. Justice Nemetz in the arbitration between the united fishermen and allied workers union and the fisheries association of British Columbia. With the unanimous consent of the house I am prepared to table this report.

Mr. Speaker: Does the house give unanimous consent to the tabling of this report?

Some hon. Members: Agreed.

GREAT LAKES—OPERATION OF S.I.U. HIRING HALLS

On the orders of the day:

Hon. Michael Starr (Ontario): Mr. Speaker, may I ask a question of the Minister of Labour. It arises out of the information I sought last week about the method employed in the hiring halls operated by the S.I.U., and I ask whether an employee must be hired by an employer when that employee is referred from the hiring hall.

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, I had the answer to my hon. friend's question on several occasions and did not have a chance to give it to him. I will give it to him tomorrow.

CANADIAN FLAG

REPORTED SELECTION OF FLAG AND ANTHEM BY LIBERAL CAUCUS

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Prime Minister.

Is it true, as stated on the front page of today's *La Presse*, that the Liberal caucus has unanimously selected the Canadian flag and the national anthem and that this report results from an indiscretion committed in Montreal by the hon. member for Mercier (Mr. Boulanger)?

Mr. Speaker: The hon. member for Rosthern—

Mr. Pigeon: Mr. Speaker, on a question of privilege. The Prime Minister was all set to rise and answer my question.

[*Text*]

Some hon. Members: Oh, oh.

Mr. Pigeon: Mr. Speaker, the Prime Minister was ready to answer that question.

Mr. Speaker: Order, please. Whether or not the hon. member is in order, he is entitled to be heard.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I ask you to rule whether it is in order to ask a question asking for comment on a press report of something that is supposed to have gone on in a caucus. I would like to have your ruling on whether a question of that kind is in order.

Mr. Speaker: The ruling is very simple and, I hope, direct. The question is out of order.

Some hon. Members: Hear, hear.

[*Later:*]

Mr. H. Russell MacEwan (Pictou): Mr. Speaker, I have a short question for the Prime Minister. Was the Minister without Portfolio announcing government policy in a recent speech, when he is reported to have stated that legislation to provide for a distinctive national flag and national anthem would be brought before parliament within two months?

Mr. Pearson: Mr. Speaker, the hon. gentleman has asked me a question based on a report of a speech which I have not seen. I will inquire of the minister whether or not the report is accurate.

Mr. M. J. Moreau (York-Scarborough): A supplementary question. Is the Prime Minister aware of recent press reports concerning Premier Stanfield's support for a distinctive national flag in Montreal recently?

Mr. Pearson: Yes, Mr. Speaker, I saw the report of that very interesting and, I thought, forward-looking speech.

Mr. Robert C. Coates (Cumberland): A supplementary question to the Prime Minister. Would the Prime Minister not agree that the Canadian red ensign is a distinctive national flag?

Mr. Speaker: Order, please. The form of the question is wrong.

AGRICULTURE

EGGS—REQUEST FOR PROTECTION UNDER STABILIZATION ACT

On the orders of the day:

Mr. E. Nasserden (Rosthern): Mr. Speaker, I have a question for the Minister of Agriculture. Is the minister aware that the price for eggs in Saskatchewan dropped to an unprecedented low last week?

Some hon. Members: Order paper.

Mr. Nasserden: My question is, will the minister consider amendments to the Agricultural Stabilization Act to protect producers against losses under the present regulations?

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, eggs are supported under the stabilization board in Saskatchewan, and this suggestion is news to me. Generally speaking the prices of agricultural products are up from a year ago.

Mr. Woolliams: What about the price of cattle?

Mr. Speaker: The hon. member for Dorchester.

Mr. J. H. Horner (Acadia): Mr. Speaker, I have a supplementary question. In view of the fact that the pension bill is not going to come before parliament immediately, I wonder whether the Minister of Agriculture could inform the house and the country whether he is now prepared to bring in the legislation that will revolutionize farming generally in Canada?

[*Translation*]

Mr. Robert Beaule (Quebec East): On a point of order, Mr. Speaker—

[*Text*]

Mr. Speaker: Order.

[*Translation*]

Mr. Beaule: Mr. Speaker, I think I heard you recognize the hon. member for Dorchester.

Mr. Pierre-Andre Boutin (Dorchester): Mr. Speaker, I wish to direct a question—

[*Text*]

Mr. Speaker: Order. There is a misunderstanding at the far end of the chamber. The hon. member was rising on a supplementary question. It will then be the hon. member for Dorchester. The hon. member for Acadia.

Mr. Horner (Acadia): Mr. Speaker, my supplementary question to the Minister of Agriculture is this. Now that the pension legislation is not going to come before parliament, can we expect to see soon on the order paper the three legislative measures the minister spoke of in western Canada, so that the house and the country will be informed of his ideas of how he is going to revolutionize agriculture in Canada?

Mr. Hays: Mr. Speaker, from the bottom of my heart I hope we can bring forward this legislation as soon as possible, because the farmers want it.

UNEMPLOYMENT INSURANCE

EXTENSION OF BENEFITS TO WORKERS IN U.S.

On the orders of the day:

[*Translation*]

Mr. Pierre-Andre Boutin (Dorchester): Mr. Speaker, I should like to direct a question to the Minister of Labour.

Can he tell the house whether during the last months there has been some decided progress in the negotiations between the Canadian government and the state of Maine to arrive at an agreement concerning the unemployment insurance benefits of Canadian lumbermen working in that state?

[*Text*]

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

INQUIRY AS TO AMENDMENTS RESPECTING FUND

On the orders of the day:

Mr. P. V. Noble (Grey North): Mr. Speaker, I should like to direct a question to the Minister of Labour. Does the minister intend to bring in legislation that would adopt proper and adequate insurance principles in relation to the unemployment insurance fund, and also measures to eliminate exploitation of its benefits?

[Mr. Beaule.]

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, I have dealt with this question several times, as did the Prime Minister in his speech to the House of Commons on this subject.

INQUIRY OF THE MINISTRY

On the orders of the day:

[*Translation*]

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, I should like to put a question to the Minister of Transport.

Can he tell the house what was the nature of the discussions he had with the Quebec premier during his trip to Quebec last week?

[*Text*]

Hon. J. W. Pickersgill (Minister of Transport): Yes, Mr. Speaker; as Minister of Transport I discussed several important questions of transport with the premier.

POWER

PEACE RIVER—APPLICATION FOR CONSTRUCTION OF DAM

On the orders of the day:

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, my question is for the Minister of Justice, but in his absence I will address it to his parliamentary secretary. It arises out of two answers which were given to questions in this house and an answer which was given this morning in the external affairs committee. The two answers given in this house were those given by Hon. Lionel Chevrier on October 14 last, in which he stated that it had been determined by the Department of Justice that the Peace river is a navigable stream under the terms of the Navigable Waters Protection Act at the point at which British Columbia is now constructing works.

Some hon. Members: Order paper.

Mr. Cameron (Nanaimo-Cowichan-The Islands): Just be patient. On Friday last I received a similar answer from the Minister of Public Works. This morning I received an answer from Hon. Ray Williston, minister of lands and forests in British Columbia, who told me that the federal government has not yet informed the government of British Columbia of this decision of the Department of Justice.

My question is this. How much longer is the government going to delay giving this information to the affected province?

Mr. D. S. Macdonald (Parliamentary Secretary to Minister of Justice): Mr. Speaker, I will bring this speech to the minister's attention when he returns to the house.

SOCIAL INSURANCE

INQUIRIES RESPECTING OBLIGATION TO MAKE APPLICATION

On the orders of the day:

[*Translation*]

Hon. Theogene Ricard (St. Hyacinthe-Bagot): Mr. Speaker, I should like to direct a question to the Minister of Labour concerning registration for social security purposes.

Could he tell the house whether he will issue new directives to U.I.C. officials to point out that registration is compulsory only for those who hold jobs covered by the Unemployment Insurance Act?

[*Text*]

Mr. Speaker: It seems to me that this question was thoroughly discussed and aired yesterday.

[*Translation*]

Mr. Gerard Laprise (Chapleau): Mr. Speaker, I should like to direct a question to the Minister of Labour.

Could he tell the house whether he has received a telegram from the Quebec Catholic teachers corporation strongly protesting against compulsory registration for social security purposes? If so, could he inform us of the steps he intends to take in that connection?

[*Text*]

Mr. Speaker: I should like to point out to the hon. member that the same series and types of questions were asked extensively yesterday, and if we were to take notice of every telegram that every hon. member receives in this House we would never finish our business.

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I rise on a point of order. It is true that the same questions were put yesterday, but the Minister of Labour said then that he would look into the matter and inquire whether such a request had been received. Since he has not yet provided an answer and was supposed to do so today, that is why this question is being asked again.

In addition, I wish to point out that those telegrams have been sent by the provincial corporation of Catholic teachers of Quebec, most members of which are concerned over such registration for social security purposes. That is why we should like to obtain today the answer the minister was unable to give us yesterday because the required information was not available to him then.

Moreover, this matter is most urgent, since school boards are asking—

[*Text*]

Mr. Speaker: Order, please. This ground was thoroughly covered yesterday.

Mr. Robert Simpson (Churchill): Mr. Speaker, I should like to direct a question to the Minister of Labour with regard to the new plan which is being adopted for the setting up of a social insurance numbering system. In view of the fact that it has been stated that this numbering system will also apply to a Canada pension plan, can the minister say whether it is the intention of the government to request any province which may be setting up its own pension plan to use this same social insurance numbering system?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, I will take this question as notice.

[*Later:*]

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Labour. Has the minister yet applied, and been able to obtain, his own social insurance number? If so, can he tell the rest of us how we can apply for ours if we wish to do so on a voluntary basis?

Mr. Nesbitt: Order. If there was ever a question which was out of order, surely that one is.

Mr. Speaker: I was about to suggest to the hon. gentleman that this is a question for the order paper.

GRAIN

OATS—ANNOUNCEMENT OF FINAL PAYMENT FOR 1962-63 CROP

On the orders of the day:

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I should like to address a question to the Minister of Trade and Commerce and ask him if, during his recent conversations with the Canadian wheat board, he was able to ascertain that an announcement is now ready respecting the prices to be paid on the recently closed oats pool.

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, the Canadian wheat board announced in Winnipeg today the final payment on oats delivered to the board during the 1962-63 crop year. The total amount of the final payment is $10,671,000. The rates of final payment are as follows: No. 2 Canada western, 11.724 cents per bushel; No. 3 Canada western, 11.60 cents per bushel; extra No. 1 feed, 11.6 cents

per bushel; No. 1 feed, 12.838 cents per bushel; and No. 2 feed, 14.818 cents per bushel.

EXTERNAL AFFAIRS

CYPRUS—REPORTED REQUEST FOR R.C.M.P. CONTINGENT

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I should like to direct a question to the Prime Minister. In view of the fact that the government is giving consideration to the sending of a contingent of members of the Royal Canadian Mounted Police to Cyprus, what unique or special duties would be contemplated for the Royal Canadian Mounted Police and in what way would these duties differ from the duties being presently carried out by the United Nations peace keeping force?

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

CANADIAN BROADCASTING CORPORATION

INQUIRY AS TO OPENING OF QUEBEC TELEVISION STATION

On the orders of the day:

[*Translation*]

Mr. Robert Beaule (Quebec East): Mr. Speaker, I should like to direct a question to the Secretary of State. Could he tell the house whether the C.B.C. television station in Quebec will be put in operation this year?

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

[*Text*]

QUEBEC—REVIEW OF PROGRAMS BY CENSORSHIP BOARD

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I wish to put a question to the Secretary of State, the responsible minister for the C.B.C., and I hope to get a direct answer.

In view of the many complaints directed to the C.B.C. by parents and educators in regard to certain films shown over the network, does the government propose to assign such a task to existing provincial censorship boards?

Hon. Maurice Lamontagne (Secretary of State): No, Mr. Speaker.

Mr. Pigeon: A supplementary question. Could the minister tell the house what he thinks of the C.B.C. when it does not want to take any action to correct—

[Mr. Sharp.]

Mr. Speaker: Order.

Mr. Pigeon: —that situation?

[*Text*]

Mr. Speaker: Order, please. This is not a question; this is an argument.

[*Translation*]

Mr. Pigeon: On a point of order.

[*Text*]

Mr. Speaker: I do not know how the hon. member proposes to raise a point of order when his original question is out of order. I fail to see how a point of order could arise.

[*Translation*]

Mr. Pigeon: If you wish, Mr. Speaker, I will state my point of order and I will gladly abide by your ruling.

We, on this side of the house, are directing many questions to the Secretary of State who is always replying evasively. I think it our duty to insist on definite answers.

[*Text*]

Mr. Speaker: Order. Orders of the day.

POST OFFICE DEPARTMENT

REDNERSVILLE, ONT.—REIMBURSEMENT OF EXPENSES OF PROSPECTIVE POSTMISTRESS

On the orders of the day:

Mr. A. D. Alkenbrack (Prince Edward-Lennox): My question is directed to the Postmaster General, and it arises from the answer to question No. 557 placed on the order paper by me on March 24 regarding the opening of a post office at Rednersville. The first decision, Mr. Speaker, was to open the post office. According to the answer I received it has been decided not to proceed—

Mr. Speaker: Order. Does the hon. member have an urgent question he wishes to ask? If so, would he ask it?

Mr. Alkenbrack: Yes, Mr. Speaker. My question, arising out of two conflicting decisions made by the Post Office Department, is as follows. Will the Post Office Department, in all honesty and fairness—

Some hon. Members: Order.

Mr. Alkenbrack:—to the prospective postmistress, Mrs. Donald Dillon of Rednersville, reimburse her for all expenses authorized by the inspectors, amounting to about $600 for renovations to the premises.

Mr. Speaker: Order. No doubt the question is important, but I suggest that the hon. member put it on the order paper.

BRITT, ONT.—PURCHASE OF SITE FOR BUILDING

On the orders of the day:

Hon. J. P. Deschatelets (Minister of Public Works): I should like to answer the question put to me a few days ago by the hon. member for Parry Sound-Muskoka. In February, 1962 the hon. member for Parry Sound-Muskoka suggested that the Department of Public Works look at four properties, including two owned by Mr. Roy and Mr. Follick, at Britt, Ontario, as a possible site for a new post office.

An hon. Member: Order.

Mr. Deschatelets: I am answering a question asked by the hon. member for Parry Sound-Muskoka.

The asking price for the Roy and Follick properties was reported at $5,000. In addition there were costs of $3,000 to make this site suitable. In view of the high total cost of the site in relation to the value of the building, the project was delayed.

In August, 1963 the department was advised by Mr. G. M. Taylor that he had acquired options on these two properties and would be willing to sell them to the department at $3,200. Mr. Taylor then acquired the two properties at $3,200 and sold them to the department at that price without any profit whatever to himself. A road allowance was also bought from the province of Ontario at $50.

Mr. G. H. Aiken (Parry Sound-Muskoka): I should like to ask a supplementary question.

Mr. Speaker: Is there any real urgency about this question? It seems to me we have spent a great deal of time over something which should have been on the order paper.

Mr. Aiken: The facts submitted by the minister are not complete, and I wanted to ask a further question—

Mr. Speaker: Order, please. This is not the time for argument. Would the hon. member put his question on the order paper?

Mr. Aiken: I should like to ask the minister, as a supplementary question, if it is not a fact that the offering prices of those two properties were reduced to an amount equal to or smaller than that for which they have now been procured, before the government changed? I know this to be a fact.

Mr. Speaker: Order. The question is out of order because of the way in which it is framed.

TRADE

INCREASE IN FLOUR CONTENT OF FUTURE WHEAT SALES

On the orders of the day:

Mr. H. A. Olson (Medicine Hat): I should like to address a question to the Minister of Trade and Commerce arising out of his statement yesterday and on other occasions reflecting optimism about future wheat sales to Russia and other eastern European countries. I should like to ask him whether there is any extension or expansion of the flour content envisaged in these future orders.

Hon. Mitchell Sharp (Minister of Trade and Commerce): I am not certain that I understood the purport of the question. I have never made optimistic or pessimistic statements about the situation. I have made factual statements. As far as I know there are no changes contemplated in any of the contracts entered into. If there are new contracts, the terms of those contracts will prevail.

Mr. Olson: A supplementary question. Would the minister care to comment on the recent change in United States policy with respect to the subsidy on the export of flour, and how this will affect our dealings in the near future?

Mr. Sharp: I think it would take me half an hour to comment adequately; and some other occasion, when there could be more extended comment, would appear to be more suitable.

THE BUDGET

ANNUAL FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The house resumed, from Monday, April 13, consideration of the motion of Hon. Walter L. Gordon (Minister of Finance), that Mr. Speaker do now leave the chair for the house to go into committee of ways and means.

[*Translation*]

Mr. L. P. Antoine Belanger (Charlevoix): Mr. Speaker, it gives me pleasure to rise and bring my modest contribution to this debate in order to show that our country—and I sincerely believe this—is heading toward anarchy, because the present government, just like the previous one, does not seem to know where it is going exactly in matters of finance and economy.

Once again this year we have heard the Conservatives take the government severely to task for its deficits, and rightly so because, when they were sitting on this side, the Liberals did the same and what is more, during the last election campaign, they

promised to balance the budget. They certainly pulled in a lot of votes that way, since many people believe we should live according to our means.

During the election campaign the Liberals also made much of the fact that they could solve that economic problem because they had within their ranks some very capable economists who would be able to find within the present financial system the necessary money to increase expenditures, to abolish the annual deficit, to pay the debt, all that without increasing taxes.

And the Conservatives, just like the Liberals when they were in the opposition, now blame the government for not increasing its expenditures for social welfare, for example, or for other purposes. In short, as the hon. member for Three Rivers (Mr. Balcer) so rightly said not long ago in a candid statement on T.V.: "There is no difference between Conservatives and Liberals."

Mr. Speaker, first of all I would like to find out the reason why people whom I believe to be intelligent, who certainly must have something remarkable, as they have been chosen by their fellow citizens to represent them in the national parliament, should act in the inconsistent way I mentioned a while ago, and change their minds, simply because they change sides in the house.

Why should those same people feel so capable of settling every problem when they are sitting in the opposition, but suddenly become paralysed when they come into power, and do exactly the opposite of what they promised the people during election time? To illustrate my point, I shall mention the budgetary deficit, the 11 per cent tax on building materials, the 1 per cent income tax increase, and the so-called disappearance of unemployment which became stagnant unemployment; we were promised a minister of agriculture for the east; but this too vanished from the program. We were also promised an increase of family allowances for every child, but this has been changed to school allowances for children between 16 and 18 years only; and I could mention many other promises.

The worst in this matter is that those mighty brains with such poor achievements, deride and brand as inefficient anybody who suggests new and bold solutions, without ever stopping to listen, consider and discuss their suggestions, or summing up the courage to refute them logically.

I have now come to the point where I believe that because they are led by their pride and arrogance, they become deaf and blind.

[Mr. Belanger.]

Mr. Speaker, it is precisely because I am conscious of the fact that it is illogical, under our present monetary system, to advocate an increase of expenditures without at the same time boosting taxes or adding to the national debt that before the government considers making heavier expenditures, I suggest once more that it carry out a monetary reform along the lines that we Social Crediters have been suggesting for several years.

To enable hon. members to better understand what I mean, I feel it is necessary to explain somewhat the present monetary system, not the one we advocate but the one Canada adheres to right now. Consequently, allow me to quote from a brochure which was published under the direction of the Conseil Économique Inc., whose president is none other than Mr. Eugene Therrien, Q.C., barrister, and of which Hon. Senator Vaillancourt is a director. Those two gentlemen can hardly be called Social Crediters.

The persons I have just mentioned allowed the publication of this pamphlet to induce French Canadians to favour the only two French Canadian banks in the country with their deposits and savings.

To obtain such results, they had to show what benefits they could offer in return, and you will be able to see for yourselves, in the light of some quotations from this booklet, that these persons confirm exactly what the Social Crediters have been saying for a long time, that is banks control money and credit in the country by the privilege they have to create credit and to destroy it.

Here is this small pamphlet entitled "Chartered banks and us". The pamphlet proceeds by questions and answers. The first question is as follows:

What is money?

If the Minister without Portfolio were here, I would ask him to give special attention to this question, because I remember that, during the last election on television, thousand dollar bills rained on his head so as to frighten people by the threat of inflation. The minister certainly did not understand the definition of the word money.

Here is the definition given in this pamphlet:

The public often imagines that money is essentially a bank-bill, but according to present habits of Canadians, the majority of monetary operations are done through cheques, or internal accounting operations in the banks (transfers from one client's account to another client's account). Currency, as a means of payment or exchange, may assume various forms: metal currency, paper currency, cheques etc....as on the other hand, it is called upon to play widely different roles in our national economy.

Further on, we find question number 4:

What is the banking system?

In paragraph 2, we read this:

But the Bank of Canada alone does not make up the banking system. Its role is only justified to the extent that the banks properly act as intermediaries between the Bank of Canada and the general public—

And here we find the names of the Banque Canadienne Nationale and the Banque Provinciale du Canada as illustrations.

The Canadian banking system, more particularly, provides for so-called "chartered" banks which we shall especially examine. Indeed, those banks play the most significant part in the monetary field, considering the place given in Canada to "scrip" money, that is money created by the chartered banks in their books.

Those banks, Mr. Speaker, are not afraid to frighten us by saying that chartered banks create money.

Under question 5:

Can it be said, then, that banks create money?

—we find the following answer:

Yes, indeed, the chartered banks do create money, but only so far as they have liquid assets available at the start.

And we are given a more concrete explanation by means of a diagram composed of five small squares connected to each other by arrows, with the explanation that $1,000 of savings in a chartered bank become $11,500, which means that they are multiplied by 11½, the amount then being made available to trade and industry.

That pamphlet was published to stimulate saving deposits by French Canadians in French Canadian banks to enable the latter also to multiply them by 11½ in order to help our French Canadian business and industries.

Question no. 10 is as follows:

In what way does the bank give assistance?

Here is the answer:

The banker makes an "advance" (he opens a credit) to his customer. The operation, as far as bookkeeping is concerned, is very simple. Let us assume that bank's assets increase, for instance, by $10,000 and, the bank's liabilities, by $10,000. On the assets' side, next to this "extra amount", of $10,000 the following reference now appears: "advance made to Mr. X". On the liabilities' side, an account of $10,000 is open to Mr. X; from now on, he will be able to draw cheques to pay his suppliers, to settle his accounts with his workers, etc. His bank account has "been provided with funds".

Mr. X has no money, but he has a bank account.

Did the bank create money in that way?

Of course, this is a manner of speech. By opening a credit, the banker made $10,000 of new money available to his customer (in the books: bank money).

That is exactly what the banks are doing when they create money.

But if the bank may thus create money, why should it be interested in receiving our savings?

The answer is this:

Banks need only have a certain quantity of notes, only a certain amount of liquidity. Therefore, they may use the rest, if they observe the "legal reserves"—

—which is a compulsory 8 per cent reserve for chartered banks. The banks also decided themselves to provide another 7 per cent reserve, which means that on every deposit, the banks must set aside 15 per cent.

Now, if I apply the system explained in this pamphlet to an amount of $1,000 here is what will happen. If I deposit $1,000, 15 per cent of that amount, that is $150, will be set aside as a reserve. If you deduct that amount from the $1,000 the balance is $850, which, multiplied by 11½, as the banks are entitled to do, adds up to $9,775.

Now, that amount of $9,775 lent at 6 per cent yields $586.50. An average interest of 3 per cent is paid on savings, which represents $30. That leaves $536.50 and I shall be generous in taking off another 10 per cent for administration expenses, although that 10 per cent is usually charged to the borrower; however, 10 per cent of $9,775 gives $97.75. Therefore, for the $1,000 deposit, the banker will get $459 per year in interest.

It is precisely that privilege that Social Crediters would like to put an end, and they would like the government to take it over and keep it for the benefit of the Canadian nation.

It is because of that privilege that chartered banks control credit, and indirectly the governments and the economic life of all Canadian citizens. That is why we are asking the government to recover that power. Without such a reform, without taking back from the banks a privilege as dangerous and vexatious for the people as that one, the same unemployment crisis which is threatening the United States will also be at our door and it will be impossible for the government to guard against it.

That crisis I made reference to was the subject of an article published in *Le Droit* on March 24, 1964. Let me quote:

A report on the dangers of automation (Reuter agency, Washington).

A group of American professors, trade unionists and economists submitted to President Johnson a report where they point out the dangers of automation.

There is a danger that automation might give rise to "unprecendented economic and social disorders" in the United States, according to the 32 signatories of the report, among whom one notes Gunnar Yrdal, the economist of Swedish origin, and Nobel prize-winner Dr. Linus Pauling.

The report states that the United States—and, some day, the rest of the world—will soon be at grips with a "revolution" which will see "an unlimited production by machinery with no need for the co-operation of human beings."

"Steps must therefore be taken to provide and income for everyone", added the authors of the report.

Mr. Speaker, one does not have to be an economist or even hold a university degree to understand that the monetary system of a country is the very basis of its economic and social life and that it is most difficult, if not impossible, to build something sound, good and lasting upon a faulty basis. We cannot, for instance, build a house on wobbly foundations. Well, that is exactly what we are trying to do, and we know the results, which can be summarized as follows: huge debts, a federal government in debt, shying away from provincial governments which also are in debt and which try to get the most out of the federal government, thus giving rise to frictions that are getting increasingly serious between the federal and provincial governments.

On the other hand, municipal governments also are in debt, the same as school boards, wherever they exist, and they in turn are looking more and more to the provincial governments for the financial assistance they need for their normal development, which again results in rather serious frictions. Then we come to the smallest but most important cell of society, the family. There again, we see that debts are causing rather serious frictions which sometimes result in broken homes.

And yet this country offers us the horrifying spectacle of stores and warehouses overflowing with goods of all kinds, while a whole army of unemployed are waiting in poverty for the opportunity to increase production even more. I think that situation, in our country, is very aptly described by this increasingly popular expression: the people of Canada are living in poverty in a land of plenty.

And at the rate things are going, in view of the observations I made a while ago in regard to automation, this is but a beginning.

I could go on for some time in the same vein describing the present economic position in this country as well as in many other countries where the same monetary system is in use.

The solution to the present problems—I will not venture to say the perfect solution as such a thing does not exist—rests in a monetary reform which would hand over to the government money and credit control.

I think it was a great prime minister of Great Britain, Disraeli, who once said:

Give me control over money and credit in any country and I do not care a rap about those who will be making legislation there.

[Mr. Belanger.]

Hon. Mackenzie King said, in one of his books:

It is useless for a government to speak of sovereignty if it has no control over its own money and credit.

Mr. Speaker, this proves, indeed, the importance of control over money and credit.

May I also quote some extracts of the encyclical *Quadragesimo Anno*. Under the subtitle: "Domination has followed from free competition", we read:

In the first place, then, it is patent that in our days not alone is wealth accumulated, but immense power and despotic economic domination is concentrated in the hands of a few, and that those few are frequently not the owners, but only the trustees and directors of invested funds, who administer them at their good pleasure.

This power becomes particularly irresistible when exercised by those who, because they hold and control money, are able also to govern credit and determine its allotment, for that reason supplying, so to speak, the life blood of the entire economic body, and grasping, as it were, in their hands the very soul of production, so that no one dare breathe against their will.

And as for the consequences of such a system, this is what our Holy Father the Pope has to say:

Disastrous consequences—The whole economic life has become hard, cruel and relentless in a ghastly measure. Furthermore, the intermingling and scandalous confusion of the duties and offices of civil authority and of economics has produced crying evils and have gone so far as to degrade the majesty of the state. The state which should be the supreme arbiter, ruling in kingly fashion far above all party contention, intent only upon justice and the common good, has become instead a slave, bound over to the service of human passion and greed.

All this shows that we Social Crediters are not the only ones to deplore this serious deficiency in our country due to lack of control by the government over the most essential factor in our economy.

I think I have said enough to prove that the government, as well as the Canadian people, are the slaves of this system. Far from controlling it, they are controlled by it instead. That is why individuals, intelligent though they may be, are compelled to act in such a stupid way.

If the government would solve the financial problem along the lines I have just suggested, it could raise family allowances according to the present cost of living, improve the Old Age Assistance Act, the Old Age Security Act, as well as the Disabled Persons Act and the Blind Persons Act, so that when the husband falls under one or the other of those classifications and becomes eligible, to the assistance provided, the wife should also become eligible automatically. In addition, these pensions should be paid at 65, because I fail to see the purpose of keeping at work people over 60, 65 and 70 years of age while young people of 20, 30 or even 40 cannot

find work and might even go hungry. I am in favour of keeping at home the older people, but let us pay them a pension which will enable them to live decently, according to the standard of living which is possible in this country.

By agreeing to that monetary reform, the government would not have to constantly violate the constitution, to sacrifice the welfare of the people to the golden calf on the altar of finance, in short, to sacrifice confederation itself. In fact, we must not forget that this has been said and even proved following the last federal-provincial conference, for it is indeed financial matters which divide the provinces, Quebec especially, and the federal government.

Mr. Speaker, I realize that the problem of bilingualism, biculturalism, nationalism and racism is very important, but it behooves us also to settle financial problems which create so many difficulties.

I may seem to pay too much attention to social measures, but when you represent as I do a constituency where in wintertime, I would say at least half the families depend on social assistance, unemployment assistance or unemployment insurance benefits, you cannot help but find those social measures very important.

Along the same lines, I would ask the Minister of Labour (Mr. MacEachen) to try and improve the Unemployment Insurance Act. It is very hard to understand and many zealous employees try by all possible means, by using the provisions of the act which they actually know much better than the recipients, to find a loop-hole that will prevent the unemployed from receiving his or her allowances. In brief, an act, or rather acts, were passed to help the unemployed and the underprivileged but, on the other hand, everything is done to prevent them from getting such help.

I would also like to remind the Minister of Labour that his intention, which he has just revealed, to place all school teachers in this country under the Unemployment Insurance Act is an unwholesome plan which will be met with much resistance. As far as I am concerned, I think it is an indirect, hypocritical and iniquitous way to tax people for something they will never take advantage of, for everyone knows that in the teaching profession, there is no unemployment and it will be a long time before there is.

I should also like to mention to the Minister of Transport (Mr. Pickersgill) that in my riding and in the neighbouring one there is a serious obstacle to trade and industrial development. It is the Saguenay river, which makes it necessary for all through traffic to use a ferry on which rates are very high, almost prohibitive. In view of the alarming economic situation in that area, would it not be possible for the government to take the situation in hand and pay all ferry costs, which would be profitable for users and the whole population?

I will deal once more with highway No. 15, between Quebec city and Seven Islands, and suggest again that this government should come to an understanding with the provincial government, in order to make it a northern section of the trans-Canada highway. That would be one of the most urgent and most essential improvements if that region of Charlevoix and Saguenay is to develop at least as much as the other regions of Canada.

I also ask the government, as an emergency measure to fight acute unemployment in my riding, to build post offices which are so obviously needed, and to continue its policy of restoring and repairing the great number of wharves which need looking after.

I would like again this year to ask the government to make the necessary studies to find out definitely if the construction of a deep water wharf at Baie St. Paul is needed for and essential to the industrial and economic development of that region.

We are told that trade and industry in that region are not important enough to warrant the expense of building such a wharf. I feel that if the government were to make such an expenditure, its decision would be justified by the industrial and commercial development that would follow.

With the hon. member for St. John's West, I say that the primary objective of the government should be to fight poverty, want and hunger especially in Canada but also throughout the world. That would be possible through a monetary reform since all the means are at our disposal: the required production facilities, an abundance of products which more than satisfies Canada's needs and the necessary natural resources. That would be a much more efficient way of waging a cold war against communism than the sending of troops to the four corners of the globe.

I could not conclude without saying once more that it is imperative for the government to regain control of the money supply and credit and to take that privilege away from the banks.

It is to keep this privilege in favour of a small group of men that we are directed to have some works performed during the winter when it would be more appropriate and less costly to have them done in summer. It is on account of this privilege that the high cost of

living is maintained, by forcing the public into paying twice or many times over for any single thing.

As an example, let us take the last world war, when the people provided the work, the materials and the soldiers; when it was all over, we owed $15 billion to those who had only written down the necessary figures to represent these expenditures. To keep this privilege, nobody even thought of stopping the war for lack of money, but today, families by the thousands are left in utter poverty because money is lacking. All this and many other things are stupid and would be ridiculous were they not criminal.

As long as the first and the most important concern of a nation consists in finding money, it will remain a slave, a materialist, and its morals will sink lower and lower.

Those are some of the reasons why I ask the Minister of Finance (Mr. Gordon) and the government to implement as soon as possible the financial reforms which we have recommended. Unless he finds a better solution, a sad future lies ahead for his party and particularly for the Canadian people, and he will bear forever that heavy responsibility. You cannot keep the majority of the Canadian people in poverty for long without provoking violence when a high standard of living is physically possible.

[*Text*]

Mr. Reynold Rapp (Humboldt-Melfort-Tisdale): Mr. Speaker, it gives me a good deal of pleasure to take part in the budget debate. It is a generally accepted rule that when a member takes part in this debate he should deal with matters pertaining to the budget, but I do not think it is an actual infringement of the rules if a member deals with other matters relating to the general business of the house, which it is my intention to do today.

The matters I would like to bring to the attention of the house include, among others, the proceedings of the house, in particular those connected with private members' bills and motions. I am not revealing any secret when I say I am not too pleased with some of the rules and regulations we have in the house governing private members' motions, bills, and requests for the production of papers. The house is not allowed to debate these matters on second reading because they are quite often ruled out of order. I think it is unfair that hon. members should be deprived of the opportunity to present their case or their grievance to the house before second reading is given. This is something that should be changed in our rules and procedures.

I should like to comment on some of my motions and bills which were introduced in the house, particularly the bill which had to do with the building of a terminal in the town of Tisdale in the province of Saskatchewan. The intention behind the legislation that I proposed was to bring to the attention of the harbours board the need for such a terminal. I understand that the harbours board is authorized to spend this money without approval being given first by the house; they have this right by statute. What I had in mind in introducing this bill was to bring to their attention the necessity for building such a terminal. The port of Churchill on Hudson bay has a terminal with a capacity of 5 million bushels. The shipping season is very short there, only two months a year, August and September, and during the shipping season approximately 23 million bushels are exported through the port of Churchill. It has been the contention of the farmers in the west that much more grain could be shipped through this port. Some are of the opinion that as much as 40 million bushels could be shipped if we had overseas customers for such a large amount. The Hudson bay route association, and other organizations in the west, have continually asked the government to increase the terminal facilities from 5 million to 10 million bushels, but the argument against building another terminal in Churchill is that the capital expenditure of another $10 million is not justifiable or desirable because this terminal elevator would be used for only two months in the year and the present capacity of 5 million bushels is sufficient.

My argument for building another terminal in Tisdale is this. It is only about 600 miles away from Churchill, but it would be located in the centre of a farming area with an excellent wheat growing capacity and during the navigation season, namely August and September, clean grain could be shipped to Churchill, thus eliminating the loading and unloading in Churchill. In this way time would be saved. I have talked to one of the grain commissioners and he informed me that one reason not enough grain was shipped from Vancouver last year was that the grain from the prairies reached Vancouver in an unclean condition, and it takes a terrific amount of time to have this grain loaded and unloaded and cleaned. If this is the case in Vancouver, I am sure this argument could be applied in favour of the new terminal which I think should be built in Tisdale. Last year when we had this particular trouble in Vancouver, this issue was very much debated and discussed on the prairies.

As I said before, a terminal in Tisdale could provide storage facilities for 5 million bushels and it could be used 12 months in

the year, instead of having another terminal at Churchill used for only two months of the year. The argument in favour of building such a terminal is very strong. It is that if the government has to spend money on building a terminal, it might as well spend it on one that could be used 12 months in the year. The argument against building a terminal in Tisdale is that we have on the prairies three government terminals and these have never been used to full capacity. There are two terminals in Saskatchewan and one in Edmonton. The argument is that the receipt for the Saskatoon terminal for the past ten years was only an average of 2,700,000 bushels, while the capacity of the elevator is 5,500,000 bushels. The same can be said for the Edmonton elevator, as it also has only been used to half its capacity.

One reason for these elevators being used to only half their capacity over a period of ten years is that the private grain companies during the surplus years were very anxious to have their storing facilities filled to capacity, so they could collect storage charges from the government. I know from personal experience that in the northerly areas of Saskatchewan during the surplus years we were on a two bushel quota for many months —as a matter of fact, sometimes up to May— before quotas were opened, while at the same time these government terminals were standing half empty. It was a hardship to the farmers because in other areas of Saskatchewan covered by main line railway facilities they had seven and eight bushel quotas, while the people in the north were on a two bushel quota. This was of course a hardship, before we were able to bring in the consequential legislation which alleviated this situation to a certain extent, namely the interest free cash advance on farm stored grain.

My bill to build a terminal at Tisdale was ruled out of order. I wanted, first of all, to have the grain terminal built for this reason. Over the years my bill had read this way:

> An act to provide for the restitution and distribution of the proceeds of grade excess and overage unlawfully confiscated and converted in 1955 and continuously thereafter under an act intituled an act to amend the Canada Grain Act to the use and purposes of the governor in council.

This meant that over the years our grain companies had always had overages which amounted to quite a large figure. I have before me statements which I should like to read into the record. In the years 1955 to 1962 overages amounted to approximately 9,975,381 bushels. Under this act these overages were supposed to belong to the governor in council. The interesting thing about the ruling which was based on the memorandum submitted by the parliamentary counsel to Mr. Speaker was that the explanatory notes were too long and that Bill No. C-245 passed on March 11, 1955 was a proper bill and that the overages shall be the property of Her Majesty. I should like to direct the attention of the house to the fact that in 1955 a similar bill was introduced and ruled out of order because the resolution preceding it had dealt with more matters than one. May I read into the record this particular quotation. Mr. Donald Fleming rose on a point of order concerning a bill No. 161 on March 5, 1957. As reported at page 1893 of *Hansard* the hon. member said:

> Mr. Speaker, I rise on a point of order. This bill, No. 161, is introduced following a resolution which was passed on February 22 and because the bill goes farther than the resolution I am taking exception to it on this point of order.

Then further on Mr. Lesage, as reported at page 1903, said that this bill was a mistake and would be withdrawn.

This, Mr. Speaker, is exactly my contention about the other bill, Bill No. 245, which was preceded by a resolution and covered more than one item, as a result of which the bill was ruled out of order. Parliamentary counsel had recommended that this bill be ruled out of order, and of course I accept the ruling. With regard to this bill introduced by Mr. Lesage which was ruled out of order, Dr. Maurice Ollivier and Mr. Batt, the assistant law clerk, gave their opinion in this way:

> In our opinion, a money bill not supported by a proper resolution could be questioned in the Senate, adjudicated upon by a court of competent jurisdiction, and have moneys withheld by the proper officers under the Financial Administration Act.

The puzzling thing to me is that at the time that Dr. Ollivier ruled on this bill and Mr. Batt ruled on my bill, their opinions differed, while on a previous occasion their opinions were the same.

I am not going to argue this matter because it is now so much water under the bridge, but it is my contention that hon. members should have an opportunity to be heard when bringing these resolutions before the house so that the house knows what they are about, instead of hon. members introducing them and getting first reading, and then having them ruled out of order. I think we members of parliament are thereby deprived of an opportunity to present our case, and I urge that when the committee on procedure is convened this matter be taken up and given serious consideration. My bills were ruled out of order and they dealt with matters of great importance. At the present time western Canada is faced with a problem of great magnitude because railroads are going to

be abandoned, some towns will almost disappear, and grain elevators will be taken away. The government should act before the farmers concerned are placed in an impossible position. It should build terminals now. We will certainly require them as our exports are increasing. These terminals should be built at once, but terminals on the west coast or at the lakehead will not serve the purpose. Inland terminals built on the prairies, however, will serve a double purpose. First of all they will give the people on the prairies an opportunity to store their grain. Second, they will give the farmers an opportunity to have their grain cleaned and shipped out and thus expedite shipment through the seaports. Although my bills have been ruled out of order I am encouraged to bring in new legislation, and I hope the government will have enough interest to pay more attention to the problems of the three western provinces.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I welcome the opportunity of participating in this budget debate as it draws to a close. I make no apology for not dealing on this occasion with the financial and economic aspects of the budget; there will be ample opportunity to do that when we discuss the budget resolutions. Perhaps I might say that I feel the budget is appropriate for the economic circumstances in which we find ourselves in Canada today—circumstances which may give us some real ground for encouragement, but which nevertheless warrant caution as we approach the future. It does not seem to me, Mr. Speaker, to be a time to bring in far reaching economic and financial changes in these circumstances, especially as we are about to receive a report from some of the most important royal commissions, in their terms of reference, which have been set up by any Canadian government for many years.

What I wish to discuss with you for a moment is a subject which has already been discussed, and rightly so, in this debate and on other occasions during this session of parliament. I refer to a problem which is very much in our minds and indeed in our hearts: the problem of Canadian unity; the problem of unity in a federation; the problem of federalism, which is basic to our growth, basic to our strength, basic to our very survival.

Politically that problem, as in every federal state, is the necessity for having a central government strong enough in jurisdiction, in resources and in resolve to discharge its responsibilities to all the people, but a central government which will not encroach on the jurisdiction of the provinces or which acts so as to prejudice their ability to do their job within their jurisdiction. The reconciliation of these two things is not easy. It never has been, in this country or in any confederation—and I suspect it is as difficult now in Canada as it has ever been in our history.

[Mr. Rapp.]

To do its duty a central government must be strong enough to carry out the tasks imposed on it by the constitution, to provide the services for which it is responsible, especially social services, and to ensure a fair and equitable measure of comparability in respect to those services throughout the country. This country cannot survive, let alone grow, if it becomes a country of developed and underdeveloped areas—Cadillac regions and cart regions. If we allow this to happen—and I believe we will not allow it to happen—the strain on national unity, which is now great and which we all recognize, would indeed become intolerable. The federal government must also have the fiscal and financial power necessary to influence and direct national economic activities through national policies operating throughout the country in the interests of all the people. No province, no group of provinces, can do this. The federal government must be able to take new social and economic initiatives within its jurisdiction when these are necessary for the health, stability and progress of the nation as a whole. And it must be able to approach the provinces with a view to sharing with them the responsibility and the resources necessary for joint schemes of that kind.

This latter requirement brings up the whole question of shared programs about which there has been a great deal of talk, though perhaps not as much thought.

Joint federal-provincial programs, of which there are now more than 60, have been in existence in this country for many years and have proven to be a most important and useful method of bringing about balanced economic and social programs. Of course conditions are changing, not only in Canada but throughout the world and especially, perhaps, in federal states. In our own country, provinces, or some of them, are more concerned now than they used to be with the consequences of what might seem to them to be too much federal control over these programs when, as they do, they deal with matters within provincial jurisdiction. Provinces can even take this position while recognizing the value to their people of these programs. The federal government need not, of course, renew a shared program when an existing agreement comes to an end. Indeed, it can abandon, by agreement with the provinces, a shared program before an agreement is due to end under the existing arrangements.

The right of the provinces to do this, in a matter within provincial jurisdiction, we refer to as "contracting out". This is a phrase which, I confess, worries me somewhat because it gives the impression of not only contracting out of a program, but of contracting out of something which a province does not wish to see going on as an activity across Canada. Perhaps we should talk less about contracting out and more about the right of a province to take on its own responsibilities, in co-operation, if you like, with other provinces, in respect of matters which are within provincial jurisdiction. But a provincial government does have the right to opt out of programs of this kind. I believe it is proper that it should have this right, and it can do so, in our view, under certain conditions, with compensation, and convert its part of a shared program into a provincial part. For the federal government to oppose the right of a province to exercise its option of withdrawal from any joint program which covers matters under provincial jurisdiction either shared or exclusively, would not strengthen confederation; it could destroy confederation.

This does not mean, as it has been interpreted in some quarters to mean, that the federal government will encourage this course of option. But it should, I think, admit the right. Furthermore, when a province exercises its right to carry on its share of the program as a provincial program, to refuse that province financial compensation is to insist that in that province the provincial taxpayer should pay not only the full cost of the provincial program but also share the cost in the other provinces as well. Surely, no one thinks the application of this principle would strengthen confederation. When provinces, and above all the province of Quebec, question the desirability of continuing in certain joint programs they are influenced by considerations both of constitutional anxiety and by more practical matters. It is true—and so that this may be a completely non-partisan observation, let me say that the truth goes back many years—that some programs had been decided on by the federal government without adequate consultation with provincial governments. And, later, when a program begins to bear on a provincial treasury, or when provinces feel they would prefer to spend the money in question on something else, they begin to take the view—and there is ample evidence to support this—that the shared program was imposed on them rather than agreed with them. Indeed, they may also feel that the joint program has prejudiced the position of the province in question and led to the centralization of policy making and policy decisions in Ottawa, even in fields which are a direct responsibility of the province.

It is felt by certain provinces, and it has been felt over the years, that joint programs often do not take sufficiently into account provincial priorities. We heard a good deal about this at the most recent federal-provincial conference—that they did not take sufficiently into account provincial needs and characteristics; that there are often too many rigid federal conditions and at times irksome federal procedures.

It is certainly true, Mr. Speaker, that some joint programs have imposed increasing strains on provincial budgets and on federal budgets, but these strains have been felt most by the poorer provinces, the ones less able to bear their share of the cost. In these programs the proportion of the cost borne by a province is the same in the case of every province, unless there is a special arrangement to the contrary, and I do not know of any such arrangement.

On the other hand, it is equally true that shared cost programs, as I have already said, constitute a recognized and valuable method for making a federal system work. They have made an important contribution to the economic and social progress of our country. They have fostered national uniform standards for many important social services. For these reasons many provinces desire and advocate their continuance even though often with some changes.

Many of the disadvantages I have mentioned could be removed or reduced by the federal government working more closely with the provinces in the initiation and administration of programs. Perhaps the federal share of the cost could vary according to the fiscal capacity of the provinces participating. When a province opts out, and this is generally understood now, the conditions should not only be agreed to with that province but should not prejudice in any way the position of the provinces that remain in. With changes of this kind and the careful observance of the principles of consultation there is no reason, as I see it, why shared programs should not continue to play a useful part in our federal national development.

But I think I am safe in saying that recent experience—by "recent" I mean experience over the last year—will undoubtedly result in the federal government hesitating to embark on new shared programs without the assurance of the full and unqualified support of all the provinces. The right to opt out must be admitted, but it is much better to have a plan from which no one wants to opt out. Having said that, I do not believe that

exercising the right of option need be disastrous or a threat to national unity. I think that is exaggerating the importance of opting out. I do admit, however, that certain disadvantages follow. When opting out takes place there always is a kind of patchwork result in the country as a whole in respect of the application of a program. This need not be disastrous but it is disadvantageous at times, and opting out does emphasize the sense of separation in our country in dealing with certain matters, especially when jurisdiction in those matters is shared. Opting out means very often that there is increased scope for federal-provincial difference over the relative advantages of staying in or opting out.

Shared programs then are one illustration, and one very much in our minds these days, of the difficulties as well as the opportunities of co-operation in the relations between the central and provincial governments in our country. These relations are in their turn a major, although not the only problem of our confederation. That problem expresses itself in political, fiscal, economic and resource development fields. It has been with us, and we should not forget this, since confederation first came into being nearly 100 years ago. Certainly in the federal government we have never in the history of our country been far away from provincial problems. These problems will remain with us as long as we are a federation, and we cannot exist as a Canadian nation except as a federation.

But while the basic problem of federalism in our country is old it has taken on new, complex and difficult forms as government at all levels has taken on more and more duties and responsibilities, especially in the field of social services. This problem has also become a part of, and indeed it is often confused with, the relations between the two foundling elements of our nation, the English speaking majority and the French speaking minority. The two problems tend to overlap and are interrelated.

The French speaking minority, as we know of course, has certain rights and privileges which are guaranteed in our constitution. It is a minority by no means confined to the province of Quebec, but that province is in a very real sense the guardian of its cultural and religious and linguistic rights. Therefore, while federal-provincial relations are an equal concern to all the provinces, and they must all be treated alike within the constitution, Quebec in a very real sense is not a province like the others. Therefore its position is bound to introduce special features into federal-provincial relationships.

[Mr. Pearson.]

For the central government to recognize the special problems arising out of the relationship with Quebec and to seek and find, whenever possible, solutions for them, without prejudicing the position of other provinces, is not capitulation or betrayal. Those who carelessly call it such are themselves, I suggest, betraying the spirit of confederation and weakening the only foundation on which confederation can stand firm and endure. A prejudiced and obstinate refusal to recognize that there are special complexities in relations with Quebec, or a failure to appreciate the special sensitiveness of that province as the guardian of the rights of a minority would soon and finally destroy confederation and make impossible the growth, in strength and unity, of a Canadian nation.

If, however, to refuse, to recognize the special position of Quebec in this way is to weaken and destroy confederation, and it could have that results, then for a province to exploit this position at the expense of Canada as a whole could have the same tragic result.

We can have no real future as a Canadian nation if we so act in our relationships provincially and federally that the result is the loosest possible kind of federation, with power and control in the hands of the provinces who would develop in their own way as best they could. I can see no salvation, I can see no survival along that course.

Of course, as we know, there are tendencies in that direction. They could destroy Canada by leading to separatism. I do not believe that these forces will prevail. We must make sure in this parliament that they do not, and in that connection the government of the day, whatever government it may be, has a very special responsibility. To this end, Mr. Speaker, this government intends to avoid either of the extreme courses I have mentioned. We propose to recognize the increasing importance of the responsibilities of the provinces in our federation, as indeed the previous government did in its financial contributions to provincial assistance.

We propose to recognize the increasing importance and responsabilities of the provinces in our federation and to help make it possible for those provinces to meet their needs by a reallocation of financial resources and a revision of our tax structure for this purpose, even if this would require a change in certain sections of our constitution, which was passed nearly 100 years ago when conditions were very different from what they are now. This is the purpose of the proposal to set up this basic tax structure committee on which I hope every province and the federal government will be represented.

In taking that attitude, surely the federal government's policy is the very oposite of centralism. We are sure, and I am sure all members of the house will share our confidence in this regard, that the provinces will use the increased authority and increased resources which they need, not to destroy but to buttress confederation. We fully appreciate, as all members of the house do, the position of the provinces. While fully appreciating that I, for one and I am sure others also, refuse to admit that the recognition of provincial rights and new provincial responsibilities requires in any way the weakening of the federal government to do its job.

This is the ultimate reconciliation we have to make in our federal system and it is one of the most difficult reconciliations that has ever been faced by any government or parliament in this country. The federal government, in these days of new responsibilities and new requirements, must also be strong in the resources it needs to deal with these increasing responsibilities, which are responsibilities of all the people of the Canadian nation from coast to coast. These facts are evident, and they must be accepted. Every province has its rights, its rights that do not change and its responsibilities that do. Every province must be in a position to exercise its rights and discharge its responsibilities, and Quebec in these matters has a special position. But equally it must be accepted and established that Canada is above all the provinces, embracing all the provinces, respecting provincial division and provincial responsibility, but that Canada, as a nation, is greater than its parts or the sum of its parts. French speaking Canada must play a proud and equal part in that nation, must feel that it belongs to Canada and that Canada from sea to sea belongs to it.

Canada is a very proud name in the world today and has been over the years. Our country need not and must not become balkanized or even, if you will pardon the expression, Austro-Hungarianized. This will require understanding and, when necessary, great concessions and compromises on the part of provincial governments as well as the government in Ottawa. In other words, there must be co-operation for progress in order to avoid a conflict that would destroy us. Recent conferences with the provinces have pointed up the urgent need for such co-operation and understanding. They have also shown that without this co-operation and understanding, in the face of new pressures, tensions and problems arising out of growth and change and the quiet revolutions, the nation that our forefathers founded and built, might disintegrate and disappear. We must do nothing, either by provocation or by weakness or by stubborn unawareness of the basic nature of our federalism or by words or actions based on prejudice or fear, to bring about that weakening or disappearance.

We must reject the defeatism and despair which cries out that if Quebec or any other province works out an equitable arrangement by which it can take over its own share of shared programs, this means we are heading straight for separatism. This gloomy exaggeration of our difficulties may bring about the very result that those who exaggerate profess to fear. However, there can be extreme talk and extreme proposals on the other side which it would be folly and dangerous to ignore, that we can go on fragmenting ourselves, with each province ignoring the position of the other and the federal government, and the federal government ignoring the position of the provinces, and with the provinces making claims and carrying suspicions to the extreme so that they weaken the voice of Canada itself and destroy all feeling of national unity. This too, Mr. Speaker, can bring about a break-up that is not intended by those who follow such a course, except by an avowed but very small separatist minority.

Surely, it is obvious that the remedy is to avoid the paths of extremism wherever they may come from and wherever they may lead to. Mr. Mackenzie King, if I may be pardoned for quoting him, once wrote these words in a letter to a friend:

> The extreme man is always more or less dangerous but nowhere more so than in politics. In a country like ours it is particularly true that the art of government is largely one of seeking to reconcile rather than to exaggerate differences.

It is the task of parliament, without regard to party; it is the challenge of statesmanship rising above faction, to find the solutions to our problems which are now more serious and more difficult than any we have faced in peacetime since 1867. We must find these solutions by agreement, not force them by compulsion. We cannot hope to find such agreement in our country if we cannot find a basis for it in our parliament.

Oh, I know, Mr. Speaker, and perhaps no one knows it much better than I, that this parliament of minorities is not an easy one for any of us, wherever we may sit. How could it be? It is idle to wrangle over blame or responsibility if parliament has, in fact, declined in repute over the last ten years and particularly, if you like, over the last two.

I am quite willing to accept, for my party and for myself, our share of any blame and responsibility; to acknowledge both political the parliamentary sins of commission and

omission, in opposition and in government. Every party, every leader and every parliament in our history has had much to its or his credit, and things also to its or his discredit. But it is well to keep a sense of perspective when we try to analyse our own faults and achievements. It is well also, for those of us who analyse them, to keep a sense of perspective, and a knowledge of history, which I should not talk about, helps to maintain a sense of perspective.

For one thing, we should realize that circumstances and conditions governing the functioning of parliament today, especially in the realm of communication, have changed radically in the last 30, 40 and 50 years. The media of communication and commentary can now bring our weaknesses and misdeeds, and occasionally even our achievements, into every home, immediately and with a dramatic effect not possible many years ago.

But while perspective can give us some comfort because it helps us to emphasize and maintain a sense of proportion, perspective can be damaging and, indeed, can be dangerous if it is allowed to obscure the fact that, while we may not be any worse, or even as bad as our forefathers in politics and in parliament, today we must be better because the problems we now face are far greater in degree and in complexity than theirs, and the penalty for failure to deal with them is correspondingly greater.

That is why we are all anxious, in all parties in the house, to take steps—and I hope we can agree on them—whereby parliament can operate more effectively in the interests, not of parliamentarians but of the people of the country, and that is why all of us attach very great importance to the committee on procedure which we have set up, and which I venture to hope will be submitting to us, before many days, an interim report which, if it can be agreed upon by all of us—and I hope it can—would do something to improve our procedure and make it more effective, pending the final report of that committee.

We must then, Mr. Speaker, do everything we can by our conduct in parliament to justify parliament as an institution and to bring it into better repute than it seems to have attained recently.

Our major problem today, and these are my closing words, Mr. Speaker, is not one of nation building. Although we still have that, and although Canadians have achieved great success in the field of nation building ever since 1867 right down to 1964, our problem today is not one of nation building; it is a problem of nation saving. It is not less than that—saving this nation from forces that weaken and could ultimately destroy it, forces all the more dangerous because they are used often by those who do not desire that result.

I believe, Mr. Speaker, that this parliament can strengthen Canada and, by strengthening it, we can certainly save it. Surely, Mr. Speaker, this is above all partisan, selfish, regional and provincial considerations.

Some hon. Members: Hear, hear.

Mr. Pearson: Canada is a good country, and we can make it a great country if we rise above the squabbles of its lesser citizens who would reduce it to a collection of competing regions and provinces. Parliament in this regard must give the lead and show the way. I hope we will measure up to the responsibility before us.

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, could I call it five o'clock? There is only a minute to go.

Mr. Deputy Speaker: Does the house wish that I call it five o'clock?

Some hon. Members: Agreed.

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

PUBLIC SERVICE

PROVISION TO ENABLE CIVIL SERVANTS TO ENGAGE IN POLITICAL ACTIVITIES

Mr. Reid Scott (Danforth) moved the second reading of Bill No. C-10, to enable civil servants to engage in political activity.

He said: Mr. Speaker, my purpose in introducing this bill this afternoon is that by so doing I hope we can initiate a discussion in the house about a very grave and serious problem. By that, I am referring to the political and civic rights of the civil servants of Canada.

There are approximately 200,000 people in this category, and at the present time they are in a state of virtual suspended animation with regard to political activity. This situation arises as a result of the Civil Service Act which was passed in 1960-61, and more particularly as a result of section 61 of the act, which provides as follows:

(1) No deputy head or employee shall
(a) engage in partisan work in connection with any election for the election of a member of the House of Commons, a member of the legislature of a province or a member of the council of the Yukon Territory or the Northwest Territories; or
(b) contribute, receive or in any way deal with any money for the funds of any political party.

Subsection 2 of this section provides that anyone who violates this is liable to be dismissed, and the act properly goes on to provide that persons so charged cannot be dismissed unless they have an opportunity to be heard, themselves, and through representatives.

The net effect of this provision is to deprive our civil servants in toto of the right to engage in any form of political activity. The section of course is somewhat vague. It would appear that a civil servant could engage in political activity so long as it was not at election time, and provided he did not contribute any money to a political party. It would also appear that a civil servant could engage in partisan work for any sort of party he wished, no matter how extreme its views, provided it did not run candidates. However, as I have said, the net effect is to place a blanket denial on the rights of our civil servants to engage in political activity. The section does not define "partisan work" very clearly, but I feel from reviewing the events that over the years a very narrow definition has grown up as to what constitutes partisan work. Many civil servants are very doubtful if they even have the right to be seen at a political meeting. Readings of *Hansard* indicate that even a civil servant having his picture taken might constitute grounds for dismissal. It is interesting to note that as late as 1957 civil servants could be dismissed on the charge by a member of parliament that they had engaged in partisan activity, and indeed this could be done without any investigation at all.

I am merely saying that by our legislative act we have to all intents and purposes isolated the civil servant from political activity. This is to me a very serious limitation that we have placed upon their rights as citizens in a democracy, and it can only be justified if some more overriding reasons can be advanced. I would like to see us discuss whether these overriding reasons still exist, because certainly this is not the kind of restriction which any of us would tolerate were it imposed by private industry, trade unions or farm organizations which employ people. It is my contention that the time has come for the relaxation of this very rigid rule even though there are still some areas where it may have to be applied. Thus clause 2 of the bill provides:

> Notwithstanding anything contained in any other act of parliament, every employee of Her Majesty in right of Canada, shall have the right to engage in any form of political activity—

Then I have set out some of the categories:

> (a) the right freely to associate with others in political parties and organizations;
>
> (b) the right to speak, to write, and to publish on behalf of candidates for public office;
>
> (c) the right to be a candidate for public office; and
>
> (d) the right to make contributions to and expenditures on behalf of political parties and candidates for public office—

It is also provided in the bill that of course no such employee shall use his hours of employment or any of the tools of his office for these purposes, and clause 4 provides:

> The provisions of this act shall not apply to:
>
> (a) a deputy head as defined in paragraph (h) of subsection 1 of section 2 of the Civil Service Act, or an employee of equivalent rank; or
>
> (b) an employee employed in a confidential capacity.

It seems to me this is the only limitation which we can now justify with respect to political activity by civil servants. The policy of political neutrality has had a long tradition not only in our parliament here in Canada but of course in the United Kingdom as well. But in the United Kingdom they have questioned the advisability of perpetuating the blanket nature of the prohibition. The matter was discussed in a very interesting book by the late Harold J. Laski called "Reflections on the constitution". In that book Mr. Laski re-examines the political and civil rights of civil servants and makes some conclusions. He says:

> I think it is absurd to insist that, once a civil servant, not in the industrial grades, becomes a candidate for parliament he shall resign his post. I think it is even more absurd to lay it down that civil servants shall not play a part, in their leisure time, in the political organization in which they believe.

He deals with the French system where a great many civil servants have played an important part in the politics of their nation. He mentions in particular Mr. Leon Blum. These civil servants have played their part in the politics of their nation and it has not interfered with their impartiality nor with their ability to discharge their role as civil servants. He felt that below the capacities that I have mentioned it is enough if an official of the particular class gives an undertaking, whether he becomes a parliamentary candidate or takes an active interest in his party, not to discuss in public the affairs of the department to which he belongs, nor to reveal information which he obtains by virtue of his position in the service. He felt it would be sufficient to give this undertaking, and any violation of it might constitute grounds for dismissal.

Indeed, the British have progressed ever further in this field. The Whitley council examined this whole problem of the political rights of civil servants and they advised a horizontal division where some are completely free to engage in political activity, some are more restricted and some are barred. They ended up with a division that 62 per cent

of the civil servants are completely free to participate in politics, to campaign and serve in public office; 22 per cent employed in capacities of a more confidential nature are free, subject to the use of very serious discretion; and 16 per cent, because of the confidential nature of their office, are completely barred. But even this group are completely free to engage in municipal elections and municipal activity. In Great Britain, should the group who can participate decide to run for public office, they must resign before nomination day. If defeated, they are reinstated within a week of the official returns being made. If elected, they can serve and receive leave of absence as long as they are not away more than five years and have had ten years seniority. They are reinstated upon their subsequent defeat as long as they apply within three months of such defeat. It seems to me this is a far more enlightened view of the rights of civil servants than we have taken here in Canada. It seems to me also that within some reasonable limits, which could be drawn up, the public would not lose confidence in the detachment and loyalty of civil servants if they were permitted to exercise the normal rights of citizens. They should have leave with pay to participate, and if elected continually, of course—as I have indicated—they might have to reassess their position. Otherwise our legislators, and indeed the House of Commons itself, are not only depriving these people of the rights that everyone else has but are also depriving themselves of the ability, wisdom, knowledge and training these people have accumulated over the years.

It is not my intention, Mr. Speaker, to speak at length because I am anxious to hear the views of other hon. members on this important subject. As I have indicated, I think that parliament, by depriving these people of their right to engage in political activity has very seriously interfered with their rights as citizens. I feel that conditions have changed over the years and that it is time to reassess the blanket denial of these rights, which denial has been effected by our legislative acts here in Ottawa. I would hope that after the discussion today—and of course this cannot be resolved in the matter of one hour—this bill might be referred to the appropriate committee so that this serious matter could receive further consideration. In such a committee we could study what has been done in other jurisdictions, we could receive the benefit of the views of the civil servants themselves, and perhaps at the end we could recommend to the house a revision of this section which would be more in line with modern times, which would give the greatest possible freedom of political activity to our civil servants that is commensurate with the nature of their duties.

However, there is no indication that this will be done. I feel that this bill, like so many others, will merely die at the end of the hour. Perhaps, Mr. Speaker, before sitting down I might be permitted to renew a plea which many hon. members in all parties have made with regard to the private members hour. We heard much talk at the beginning of this session that things were going to be different and that private members' business was going to receive a greater degree of consideration, a better method of treatment; but as the days have gone by it is becoming increasingly clear that we are again slipping back into the farcical situation that pervaded private members' hour, certainly in the two parliaments in which I have served. If one examines the order paper he will find it full of important controversial matters which have been introduced by private members. If one examines it closely he will find that, with one exception, most of them have merely been adjourned at the end of the hour. One bill did pass and it was almost an historic occasion in the chamber when a private member's bill actually received third reading. So it looks, Mr. Speaker, as though private members' hour is getting back into the same old rut, and in many ways this is a tragedy.

The Prime Minister (Mr. Pearson) spoke in his address of the difficulties of operating in a minority house, and all of us are aware of this. But a minority house, it seems to me, also presents a unique opportunity for us. As I have indicated, there are a host of controversial social measures which ought to receive treatment in Canada. I think of such things as divorce, birth control, lotteries, a national anthem, habeas corpus, civil rights and the matter of the death penalty. It seems to me that these are all issues which it may be difficult for any party to take a stand on as a party, and I can understand why in many cases. But it also seems to me that private members' hour is a period in which many of these matters could be resolved one way or the other. They might be passed, they might not be passed. But surely we should be thinking in terms of permitting this hour to deal with such measures, to bring them to a vote and to make an adjudication upon their merits.

I think that if we were prepared to do this, then instead of private members' hour being conducted in a virtually empty chamber it would receive the attention of almost the entire house. Members could come in, and in the freedom of the absence of party control

speak their minds on some of these controversial measures and express their opinions in a recorded vote. If we were prepared to do this I think we would go a step in the direction of elevating this parliament in the public's esteem. It is ridiculous for us to have divorce laws which go back 100 years. Everyone knows this and admits it, and everyone wants the laws changed. But no one is prepared to make this change, and for political reasons. In a matter such as divorce it is hard, of course, to get a party stand because it deals with religious, moral and personal views. But I want to re-emphasize the plea that I have been making that private members' hour in a house of minorities presents an outstanding opportunity for us to deal with some of the social changes that we cannot deal with when we must stick to the party line. With that, Mr. Speaker, I will sit down and hear what other members have to say on this other important proposal, but I could not resist the opportunity to make the plea I have made.

Mr. Lloyd Francis (Carleton): Mr. Speaker, I have listened with a great deal of interest to the remarks of the mover of this bill, in particular his reference to the function of private members' hour and what its potentiality could be in this house. Many of us will agree with what he has said. The only observation I should like to make is that I think my record of attendance in this house certainly compares with that of other hon. members, and I believe a fair number of these bills have this time been referred to a committee. Certainly more than one has; I know at least three have, and although I do not know what the actual score is, I am sure this fact should be put on record.

The hon. member who introduced this bill agreed that he was introducing something very different in principle and approach from other bills, where the background preparation of public opinion must be gone into thoroughly and consistently before this house could take action. One of the things I expected to hear something about from the hon. member was citations from staff associations, organized groups of civil servants and other people in the community who feel that the measure which the hon. member is promoting is one which they themselves would desire and which they feel is in their own best interests.

Mr. Scott: Would the hon. member permit a question on that point?

Mr. Francis: Certainly.

Mr. Scott: Would he not agree that such activity would be classified as partisan activity?

Mr. Francis: I disagree thoroughly with that contention. The wording of section 61, as the hon. member pointed out, is specifically related to elections, and the general question of the rights of civil servants is perfectly within the scope of activity of the sort which would be invited. I am certainly sure that no hon. member would discourage an association from trying to express its opinion on the principle whether or not the legislation as presently constituted is adequate to protect the rights of civil servants.

This question may be looked at from several different points of view. The hon. member who has spoken referred to the point of view of an individual civil servant and a citizen in the community. That is of course a valid point of view, but we must also look at the point of view and rights of a government. We must look too at the point of view of political parties and at the needs and rights of political parties. And not the least, I think we must look at the public interest which dictated this particular section in the first instance.

If the hon. member was calling attention to a matter which had not been reviewed by this house during a period of time within the living memory of members of this house and had been long standing on the statute books, I think there would be even more justification for raising the subject. But as recently as 1960, when a comprehensive review of the Civil Service Act was enacted by this house, the clause to which the hon. member referred was reviewed and modified, as he acknowledged, to give a much greater degree of democratic control. For example, a man or woman may not be dismissed except after formal inquiry. No longer do the rather discriminatory provisions concerning complaints by members of parliament apply. If he had cited any injustices under the application of the rule I would have been more moved by his arguments.

As the situation stands today there is no question that the government faces something of a dilemma. Political activity in our society relies on the spontaneous and voluntary action of citizens who put themselves in the position of assuming a greater degree of responsibility for the kind of government and society in which they live. That is basic to any democratic society. We must have a maximum voluntary involvement of citizens in those activities. We want to encourage the government. At the same time the government as an employer must set the example of a good employer. As the hon. member pointed out, we want employers to encourage their employees to take part in politics. Politics in a democratic society would be meaningless without this participation.

That is one side of the question. The other side concerns the history of activity which

brought such a regulation on to the books in the first instance. The Canadian civil service has since 1920 built a reputation which is second to that of no other country in the world in terms of competence, respect for the merit principle, in terms of the encouragement of men and women of profound ability to seek a career in the public service of Canada and to develop a career in a way which makes us as Canadians proud of their talents. If this rule had had the effect of substantially discouraging numbers of men and women of prominence from seeking a public career because they would feel they were in a sense second class citizens and would forfeit their full rights, then I think the hon. member would have made something of a case. But the opposite is the fact. The profound respect for the merit principle and the degree to which it was applied and respected, in Canada even more so than in many contemporary democracies in the western world, has had the effect of encouraging large numbers of competent people to seek a career in the public service.

There are, of course, evils when political activity takes place within the public service. History prior to 1920 discloses examples. Evils manifest themselves as abuses of individuals by unscrupulous members of political parties, and there are persons who participate in public life who are not of the sort of standing which we should like to see. There is the opportunity for a more or less compulsory political contribution; there is the opportunity of calling for a return for services rendered. This is the situation when men and women, who show up at election time and make their careers in the public service, then go to their members of parliament and say: I worked for you; now you work for me. If anyone wants to read the reports which formed part of the background of the first civil service act in 1920 and the disrepute into which it brought the civil service as it existed prior to that date, he will find ample confirmation of these points.

The other side of the coin is the abuse of civil servants in circumstances in which financial contributions could or might be invited. I note that the hon. member has not spoken of the role of the civil servants staff associations, where they are free to take an active part on behalf of, or against, any particular political party. It seems to me this whole field would bear careful examination.

We must bear in mind the tradition of neutrality which exists in the civil service—the tradition of loyalty to the government of the day whatever its political complexion; the tradition of the protection of the rights of individual civil servants against unscrupulous holders of public office. These are the reasons for the rule. These are the reasons why parliament in the sixties did review sections of the act and introduced some changes, though not the changes suggested by the hon. member.

A great deal more could be said about political activity which is not of a political partisan nature. I refer to political activity among civil servants, especially at municipal level. I think the tradition of non-participation in the Canadian civil service is so strong that it leads to inhibition in areas where there is no need for it. This is not a matter of law. I think it is a matter of the development of practice and, in particular, of administrative practice. In a city such as the national capital, where a municipal form of government is maintained, this practice has had the effect of discouraging men and women, among them some of the most vigorous and most able people in Canada, from offering themselves for office. It is not the law that is responsible for this. It is a tradition which has grown up within a general interpretation of the law. During the 1962 federal election, in the course of the campaign, a member of the civil service commission made a public statement to the effect that wives of civil servants should have nothing to do with politics. And the inference was left that close relatives of civil servants should also think twice about doing so. There is nothing in the law or in the regulations that says this. But this type of administrative interpretation by a responsible head of the public service, in this case a member of the civil service commission, is to be roundly condemned as leading to a situation which is creating an evil. The law which is presently on the books has not, in my experience, been the object of a great deal of criticism. I am not aware that any gross inequities have arisen. There is an excessive timidity about offering oneself as a candidate, for example, for the office of alderman on a local council, or for office as reeve or urban councillor in smaller municipalities.

Here the important question is a question of possible conflict of duties and, in addition, the level of responsibility that is assumed. It is reasonable to expect that when a man or woman is hired by the public service for full time work his employer has a right to full time service. Frequently, service on a council creates obligations in terms of conflicts of time, or even conflicts of energy. This imposes a problem, and administrative discretion has to be exercised. It is perfectly lawful and, I believe, it is to be encouraged that civil servants who do not experience

a conflict with their jobs should offer themselves for municipal office on a non-partisan basis. If they like that kind of life they can quit their jobs and take up politics as a full time occupation. Later, if they find they do not like it as well as they had imagined they would, they can go back, qualify themselves by passing open competitions and re-enter the public service, if that is what they wish to do. There is nothing wrong in that, nor should it be discouraged.

As a matter of administrative practice, treasury board has set a limit of earnings above which it has not been the practice to grant leave of absence so that a man or woman might offer himself as a candidate. That level is revised from time to time. It currently reflects the average earnings of an alderman in one of the larger cities of Ontario or Quebec. The level is drawn so as to discourage those who might wish to serve on the board of control in, for example, Toronto, Ottawa, Sudbury or Hamilton, because the board of control, as the cabinet of the city, is very much a full-time responsibility though its members are seldom paid on a full-time basis. It is therefore necessary for men and women wishing to carry out duties at this level to avail themselves of leave of absence. I think it should be the policy of the government to grant such leave of absence in the overwhelming majority of the cases in which application is made.

What is wrong with these rules? I know that the government, as an employer, in terms of being a custodian of the civil rights of its employees, seeks to give the maximum encouragement to those wishing to take part in political activities. But the public has a right, too. The public has a right to expect that its employees will show equal loyalty to whatever government is in power. The Civil Service Act permits civil servants to contest elected offices at the municipal level. Indeed, it encourages them to do so. This type of activity provides a way by which participants can be initiated, if they seek this kind of life. As for the stage at which a man or woman takes on a political label and offers himself or herself as a candidate for a particular political party, I think that is the stage at which our legislation draws the line. I do not see anything terribly wrong with this. It is perfectly all right for a man who wants to run in the name of a party to quit his job—after all, he is a free agent—and then, if he decides he does not like political life, he can enter another competition held on the merit principle, and rest assured that he will not be the object of discrimination because of the fact that he participated in political activity.

Mr. Lamb: Did I understand the hon. member to say that a civil servant should be able to obtain leave of absence, run for parliament and then, if defeated, get his job back as a civil servant?

Mr. Francis: That is not what I said.

Mr. Lamb: I just wanted to clear that up because I do not think that would be altogether right. I understood that was what the hon. member said.

Mr. Francis: I thank the hon. member for raising the point. That was certainly not my intention. I was saying that in municipal office it is possible to take leave of absence without pay, but when you carry a political label I think you should resign. After you have resigned and have spent some years out of the service there is no stigma if you want to change your occupation again. You are perfectly free to enter a competition and win or lose on your merits as a man or woman, with no stigma as a result of what you have done at some previous time. But when you enter the public service these are the rules. As long as you are a civil servant they are the rules, and if you do not like them it is your privilege to resign from the service. In a democratic society I think this is not an unhealthy tradition.

[*Translation*]

Mr. Guy Marcoux (Quebec-Montmorency): Mr. Speaker, I regret that I did not know earlier that this bill would be coming up today because I should have liked to examine more closely the problems it would create. However, from what he has said, it would seem that the hon. member for Danforth (Mr. Scott) wishes to give greater importance to members of parliament than to civil servants.

Now, it is well known that at the federal level, civil servants play an exceedingly important role as compared with members of parliament. In fact, they have a role to play and they can remove themselves from the influence not of politics, I would say, but of parliament itself. Thus, very often when we ask for the reasons behind a certain decision, we are told that the letter was based on confidential documents containing information which cannot be revealed to private members of parliament. However, civil servants for their part may not only have information but may also create situations about which we should require explanations.

As far as the civil service is concerned, I believe its powers are exceedingly important and something might indeed be done about it. I make this statement, knowing quite well it is not very wise, politically speaking, but I wonder whether an inquiry into the administration of the civil service would not be justified to find out whether

there are not some nooks and corners where some dust may have collected and where a little dusting would be useful.

The civil service is protected by the civil service commission, on which no political pressure is being exerted. This, I admit. However, the complaints received from civil servants holding subordinate positions are so frequent—I would even say they are almost incessant—that, in my opinion, it would be wise to study the suggestion I made a moment ago, that is to conduct an inquiry into the administration of the civil service.

The hon. member stated a few moments ago that if civil servants were not allowed to enter politics, they would be deprived of their rights. I do not know any civil servant who was ever compelled to enter the civil service. When entering the civil service, he knew what to expect. He knew he was to work for his country or his province, as the case may be. He knew also that his position involved some duties which were constantly to be respected and that some rights which he considered legitimate were to be denied him, in many circumstances, and this, for reasons of security or confidentiality. This means the applicant for a civil service job knew what to expect.

On the other hand, if he wanted to engage in political activities, if he wished to express his views to the people as a whole, all he had to do was to go into politics and run as a member of such and such a party. If he had no desire to belong to any party, he could have run as an independent.

I do not feel those are sufficient reasons to require that an act of parliament allow public servants to engage in political activity. But, as the hon. member for Carleton (Mr. Francis) said a while ago, I think there is a distinction to be made between municipal politics, school politics and even, in some respects, provincial politics, because the ties between federal and provincial parties are so close that I would be afraid to allow a public servant to engage in political activity in one of those two fields.

As far as municipal and school board politics are concerned, I do not feel we can prevent a civil servant who undoubtedly has the necessary qualifications from taking an active part in such activities. In fact, if a civil servant wishes to hold public office, I do not see why we should refuse him permission to do so.

However, when it is said that civil servants are deprived of any chance to be helpful to the government and parliament, I feel, as I said a moment ago, that that is granting little importance to members of parliament, considering especially the fact that those people can be of use to the government.

In fact, if a committee of the house needs information, it is easy to call in competent officials and ask them to explain matters for the benefit of the members of the committee who will later on make recommendations to parliament and to the government.

The government and parliament can make full use of those people if they have qualifications. I fail to see why they would be better qualified simply because they would work actively for a political party. For a long time, when law clerks or certain judges were to be appointed, for instance, they were required to belong to a political party and, very often, it was the only qualification required. This gave rise to more and more complaints. Yet, some people would like to require from civil servants, on top of necessary qualifications, membership in a political party.

Mr. Speaker, I think that such an argument is illogical and it should at least be criticized before it is accepted.

It must also be recognized that in spite of the sacrosanct independence of the civil service commission, as I was saying, there is surely some way for politics to intervene, because too many civil servants come to see their members to ask them to bring some pressure to bear so that they may be appointed to such and such a position. That means that to get into the civil service, political influence is often used, but once the candidate gets in, if he wants to remain there, he must get completely out of politics.

If he wants to go into active politics, the only way would be to quit the civil service and take a chance, as everybody else does, by running at a general election.

As far as I am concerned, I could not serve two masters.

When I chose to devote myself to politics, I forced myself to give up the practice of medicine, not because I was no longer capable of practising, but because I felt my first duty was to my country and my constituents. That means that the right I actually have to practise medicine is restricted and also minimized by my new duties as a member of this house.

I feel that should apply also to a civil servant who would be allowed to engage in political activity.

Mr. Speaker, I do not wish to labour the point, for I know other members would like to speak on this matter and, especially, that the hon. member for Danforth (Mr. Scott) would like to obtain the consent of the house to refer his bill to a special committee.

Still, I should like to say that if, under a socialist or ultra-socialist regime, it is quite normal for civil servants to engage in politics since the latter then become a direct function

of the government, the intrusion of politics in the public service is absolutely unthinkable in a democracy like ours where the individual still has, in his riding or at the polling booth the apparent right to choose the men who will form the government.

Obviously, a civil servant's political affiliations may play against him if he has been or still is engaged in politics. If there is a change of government, he will be the first to suffer.

This new measure might keep the government and the whole parliament from using the services of a very qualified man.

Mr. Speaker, I do not say that I am totally opposed to the fact that civil servants might engage in political activities—as I said earlier, at some levels, it is quite possible—but I object to the general principle and I should like very much to have the opportunity of discussing the matter in committee, if ever this bill should go before one.

[*Text*]

Mr. Ralph Cowan (York-Humber): Mr. Speaker, I should like to point out as definitely as I can that we, sitting on this side of the house, take the introduction of this bill by a member of the New Democratic party as a compliment to our cabinet and to the Liberal government which the country is enjoying today. It would appear that with a Prime Minister (Mr. Pearson) who came directly from the civil service into the arena of federal politics, and a Minister of Transport (Mr. Pickersgill) who came directly into politics from the civil service, the mover of the bill appreciates the abilities and qualities of such leadership and is endeavouring to increase the number of civil servants who might engage in federal politics for the good of the country.

This principle has been demonstrated by the activities of such former civil servants as the Minister of Trade and Commerce (Mr. Sharp), who is measuring up to the peerless stature of the late C. D. Howe. We have, as Minister of Industry and Defence Production (Mr. Drury), a former civil servant, who is establishing new records in that division. We have a Minister of Fisheries (Mr. Robichaud) straight out of the civil service, and I understand he has had 14 years of continuous service in either provincial or federal civil service positions. He is a man of experience and ability. It is a very nice tribute to our cabinet and to the Liberal government of the day to have the hon. member for Danforth (Mr. Scott) introduce a bill which he hopes will enlarge the number of civil servants coming into the area of federal politics.

An hon. Member: But not from the Liberal party.

Mr. Cowan: However, I cannot say that all ventures of this nature have been for the good of the country. There are occasions on record—I do not wish to be too specific—where civil servants, as a result of the nature of their occupation as relief administrators or as inspectors for this and that, travelling around at government expense and making contact with thousands of voters, have established in that manner a popularity which has enabled them to run for office. This has been done by passing out government money in one way or another. One might almost say the government has subsidized their campaign throughout the years they were engaged as civil servants.

I do not believe that federal civil servants should be eligible to participate in federal politics. I do believe that a dominion government employee should take part in provincial politics and municipal politics. I do believe that a provincial civil servant should take part in municipal politics and federal politics. I do not believe a civil servant should engage in politics at the level at which the parliament or legislature of which he would be a member would be his employer. The hon. member for Carleton (Mr. Francis) has pointed out that he believes there are many people who are afraid to engage in political action because they know they are forbidden to take part in some fields of endeavour, and therefore they refuse to take part in the much wider field.

It strikes me that there must be a tremendous number of people in this country who are quite willing to become civil servants. As the last speaker pointed out, despite the restrictions on political activities, people are willing to become civil servants. It is interesting to bear in mind at this time the remarks made by the Minister of Industry only last week when he pointed out that there were 6,500 applications received by the civil service commission for the 87 positions advertised in the Department of Industry. If 6,500 Canadian people are willing to apply for 87 positions that are open, despite the restrictions that now exist on political activities, this would indicate to me, if not to other members of the house, that these people are willing to accept these restrictions which have been imposed for some years. The onus cannot be very serious or we would not have had that number of applications for these few positions.

Indeed, many men and women have not been deprived of taking part in election campaigns because they were civil servants. The late Mr. Raymond, who was Liberal member for the city of Brantford for many years, was the former postmaster of the city of Brantford. Some of you may recall this

gentleman as the blind member of parliament who, for a number of years, would stand in this house and correct any misquotation by calling the speaker's attention to the fact that the next paragraph read as follows. His memory was phenomenal and his literary knowledge was vast. He was a former civil servant who made his mark in the federal field. It is true he gave up his position to run, but this did not restrict him in running for parliament.

We have in this house many former government employees. I do not like to limit the words "civil servant" to the federal civil servants. We have provincial civil servants; we have municipal civil servants; we have federal civil servants. Now that we have the United Nations, we will be getting international civil servants. Men and women can take part in various levels of political activity. In my own riding of York-Humber I have about one eighth of the area of the township of Etobicoke, which has a population of 173,000 souls. I am sure it will interest members of parliament to know that one local—I will not say problem, I will say question—concerns the fact that the board of education in that township is pretty well dominated by teachers. These teachers are not in the employ of the board of education of Etobicoke. They are men and women, university professors, who are employees of other boards of education or universities elsewhere in metropolitan Toronto. However, since they live in Etobicoke, they are qualified to run for office there.

We have this little question as to whether or not teachers should be allowed to run for boards of education in municipalities where they are not teaching, which pinpoints the problem that is brought to the fore by the hon. member for Danforth (Mr. Scott) in introducing this bill. The reeve of Scarborough, in metropolitan Toronto, is one of the ablest reeves Scarborough has ever seen or will see, and he is a former high school teacher, Mr. Albert Campbell. He is a credit to the community and is building up Scarborough's reputation as reeve.

The Prime Minister of this country and myself were boys together in the city of Peterborough, and when we were children one of the finest mayors there, and prior to that an alderman, was Mayor Buller, who was collector of customs in Peterborough customs house for many, many years. He was a civil servant but he contributed much to the growth of Peterborough and the country by engaging in political activity.

When I was a child, visiting my grandparents here in Ottawa, I heard great praise heaped on a school teacher in Kent school, who for years was a very useful member of the city council of Ottawa and, if I am not mistaken, rose to be controller. He was an employee of the public school board who was taking a very active part in municipal politics on the council level.

In our Liberal party on this side of the house I am pleased that we have such members as the hon. member for Lincoln (Mr. McNulty), the hon. member for Humber-St. George's (Mr. Batten) and the hon. member for Burin-Burgeo (Mr. Carter), all former school teachers, or school principals, or school inspectors. They have not been held back in the field of federal politics because they were former school teachers.

The hon. member for Port Arthur (Mr. Fisher) also was a former school teacher. I call him a former civil servant. Many people state that an employee of a board of education is not a civil servant, but I point out that he is in receipt of tax moneys. At one time the former hon. member for the city of Peterborough, Mr. Pitman, was a high school teacher and is a high school teacher again. These men had much to contribute to the communities in which they were teaching and they took part in federal politics with credit to themselves.

The former prime minister of this country appointed a C.N.R. employee to the Senate. That is a crown corporation and you can call him a civil servant; but he made his mark. He contributed much to the province of Ontario, to the Dominion of Canada, and now has a seat in the other place. I would remind you of the present minister of education in the province of Ontario, a former crown attorney in the county of Peel. He gave up his position as crown attorney and sought elective public office in the provincial field. He became a member of the legislature and a member of the cabinet, and today is a good servant of the public in the form of minister of education, despite the fact that some years ago he was a civil servant as crown attorney for Peel.

I cannot see that the civil service employees of this country, whether on the municipal, provincial or federal level, are suffering under the laws that now exist. The town of Weston is one of the five communities making up the riding of York-Humber. An alderman there for some time and a reeve for many years was a pilot on T.C.A. It is a crown corporation, but no one held it against that gentleman that he was an employee of a crown corporation. He was elected to public office year after year in Weston, and served with great distinction to the town of Weston and to metropolitan Toronto, of which Weston is a part.

The hon. member for Kindersley (Mr. Cantelon) is a former school teacher who is a

credit to Kindersley and is of value to this house. The hon. member for Waterloo North (Mr. Weichel) is a former federal civil servant. He has been elected more than once from his riding, which shows the regard in which he is held. It is not any terrible onus that is placed on these civil servants that there are some restrictions on their political activities in the laws of the land. They can engage in political activities with credit to themselves, and if they wish to run for public office I do believe they are willing to offer themselves and suffer the consequences if they are defeated.

It is difficult at this time to recall the names of many defeated candidates for public office, but we know the civil servants who have been elected to this house, because there are only 265 to consider when discussing a bill of this nature. I am certain, however, that there were many former civil servants who offered their services and, because they were not successful at the polls, were able to return to their former positions or to some other positions they had secured.

With regard to civil servants, I have been thinking of what the hon. member for Carleton (Mr. Francis) drew to our attention, that people supported him and, after his election, came around and pointed out they worked for him and wanted his help to get them a position in the civil service.

Talking about restrictions on government jobs, how would we like to have men coming off the bench of the Supreme Court of Canada, or the Ontario supreme court bench, and offering themselves for public office? We hold all members of the bench up to praise and we point out how fair they are and how impartial they are in all their actions and decisions. I do not think for one moment it would be proper for us to give the right to men to come off the bench and run for public office, men whose reputation the country as a whole builds up since we must hold our judges and justices in the highest respect. It would not be right for such judges and justices whose reputations have been built up for them by the taxpayers, who in their exalted positions have travelled around as trial judges, and in doing so have met thousands of people, to engage in federal or provincial politics, after spending those years of activity on the bench.

I cannot see any reason for making any alterations at this time in the laws as they now exist. With 6,500 applications for 87 positions, and every one of the 6,500 knowing these restrictions exist at the present time, we have our answer definitely there.

Mr. Speaker, may I call it six o'clock.

Mr. Deputy Speaker: Order. The hour appointed for the consideration of private members' business is expired. It being six o'clock I do now leave the chair.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

THE BUDGET

ANNUAL FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The house resumed consideration of the motion of Hon. Walter L. Gordon (Minister of Finance), that Mr. Speaker do now leave the chair for the house to go into committee of ways and means.

Mr. Fisher: Mr. Speaker, I noted the other day where a British historian had written that British general elections were locks on the canal of British progress. I was going to start tonight by suggesting that our elections were locks, period, and by scorching the Prime Minister (Mr. Pearson) and to a lesser extent the Leader of the Opposition on the basis that while the one dallied and the other raised Cain, and both gave us fine words, on our major problem, which is national survival, the situation seemed to be worsening. But the Prime Minister's speech this afternoon, which was quite candid, certainly constructive and somewhat conciliatory to some of us who were critical of him in this field, has made me certain that he does know the dangers and does feel they are matters which time and negotiation will solve, and that he and all of us have a concept of Canadianism which enables us to join with him in fighting for it.

I was moved to consider being sharp not least by an article sent to me from Paris—I got it today—which appeared in *Le Monde* last Sunday, April 12, headed "Les relations entre Quebec et Ottawa ont atteint un inquietant degre de tension" and written by the *Le Monde* correspondent in Quebec, Jean Tainturier. It is a very long article analysing what he calls the disquieting degree of tension between Quebec and Ottawa, and it seemed to me that the last paragraph was the kind of call to arms to which I think the Prime Minister will listen. I hope my fellow members will forgive my pronunciation:

[*Translation*]

The unrest concerning the constitution which has developed during the last few years has thereby reached a dangerous phase from which the breaking up process of the Canadian confederation could spring unless bold measures are quickly taken by Ottawa.

[*Text*]

In other words, this gentleman recommends an audacious or bold and rapid seizing of initiative by Ottawa, and I am in hopes that the Prime Minister's remarks this afternoon are an indicator of this. I also endorse the remarks made by my hon. friend for Nanaimo-Cowichan-The Islands (Mr. Cameron), who made the point as one of the generation which bled so much in the first war that he and his colleagues of that generation had a bill to present to this country in terms of asking us, those of us who came afterwards, not to deal with this matter in terms of insult.

I was somewhat shocked to discover a few weeks ago when I read an article about myself in a magazine by the name of "Actualite", written by Jean Marc Poliquin, that he used the adjective "brutal" a number of times to describe my attitude in so far as French Canada is concerned. I have always tried in this particular matter, as an individual and a party spokesman, to be frank. I certainly hope that tonight and at any other time in the future I will take heed of the words of my hon. friend from Nanaimo-Cowichan-The Islands and will not do anything to exacerbate the difficulties or trade in insults.

The Prime Minister's speech today gave us a bit of a framework and an undertaking, but I think he would be the first to concede that he did not do much more than that. He left us with some questions which will puzzle us until he and his colleagues give us more reasons. He gave us a good outline of the difficulties of joint programming. He suggested that "opting out" was a better phrase than "contracting out" of joint programs between the federal government and the government of a province. Then toward the end of his speech he mentioned that what the two governments consider to be the French and English factor in Canada in language terms really was something different that could not be matched up with the joint programs or anything like this. He indicated, just as we believe and it is in our program, that there should be a special status for Quebec because of its language and culture responsibility. But some of the questions that are left unanswered, for example, are: Where does the federal member from Quebec stand? As far as that is concerned, where does the federal member from Ontario stand on something like the pension plan when, without anything we can do or say about it, the initiative in this specific case has been seized by a provincial premier?

I am not going to raise the question; I just want to circle around the fact of where do we vote if we are going to be representing people who in effect have a premier who leads them in other matters and says that the federal government shall not enter, or may not enter here and become involved in this particular problem. It seems to me that a member from Ontario faces something that is quite difficult with regard to the pension plan. For the French Canadian member from Quebec who represents his people here and who sees the provincial premier claiming that the primary, or the basic, or the fundamental responsibility for speaking for French Canada does not enter into this chamber at Ottawa but rests with the legislative assembly at Quebec, I know there are a great many problems and difficulties.

It seems to me that in working out this special status for Quebec the Prime Minister has to determine who has the delegation of authority both from us and from the other provincial governments to deal with Quebec. If Quebec is given a special status, what devolves upon us—that is, upon the federal parliament and authority—regarding two matters; for example, the minorities in Quebec and the minorities of French Canadians in the rest of the country? I want, and my party wants, to respect the rights of the French under the constitution in the rest of the country, but if they are to receive more privileges than they have now—that is, the French outside of Quebec—for example in the fields of language rights, education or provincial politics, it becomes again a matter for the provinces rather than the federal government. After all, the Prime Minister is not in a position to undertake what may be given in Ontario with regard to educational or language rights for French Canadians. If Quebec's special status is recognized, what do we do to keep Quebec representation in this house with some kind of prestige and authority? Members may not believe it, but I actually feel, not anything so high handed or high headed as pity or something like that, but I do feel grieved and sorry for my colleagues from Quebec when I realize that they are under pressure and, in a way, under attack and I would suggest that they are less representative of their people than are other representatives gathered in this place.

The Prime Minister's approach as he outlined it today was a pragmatic and empirical one with the idea that we negotiate around a table and bargain step by step; that we have to go slowly and there needs to be a great many compromises. This is all very well, and it is certainly in the Canadian tradition. But emotionally it seems to me that our Quebec friends may be too impatient for this. English speaking Canada at the present time, as I tend to feel it, is also working up something

that is emotional and imaginative with regard to this whole matter. One wonders what happens if things do boil more toward fever heat. What more immediate steps can be taken than those the Prime Minister outlined, which really depend upon a long, slow series of negotiations and deals and compromises. It seems to me that we need to be prepared for this. I sometimes get the feeling—I do not know whether other people in the house join me in this—that the politicians in the province of Quebec may be riding a juggernaut for which they had not any reins. I do not say this in order to irritate, but I just raise this as a question that may put more urgency into this whole matter than the approach that was given today by the Prime Minister.

There is one other point that needs to be made in regard to this question. I wish my hon. friend from Brome-Missisquoi (Mr. Grafftey) were here because it is the one thing that is always more before him than anything else. The Liberal party has always claimed some kind of prior magic or mesmerism in regard to handling the French Canadian representation. I think there are claims being made at the present time, and if some of us laugh it is rather hollow laughter in view of the fact that the Liberal party is having the same difficulties that other parties are having.

I suggest that at this time when emotions and feelings of nationalism are not confined to Quebec it would be well for the Liberal party, as the federal Liberal administration, no matter what happens in its detachment from the Quebec Liberal party, to take the attitude that it did not have all the answers unto itself in this matter. Otherwise it seems to me that it is fruitless for the Prime Minister (Mr. Pearson) to come to the house and appeal for our help and support, if at the same time his hustings speakers are going round and saying things such as that said by the Minister of Trade and Commerce (Mr. Sharp) a few weeks ago, that the Liberal party is the only hope to save confederation. I make this point in some earnestness, Mr. Speaker, because one of the most difficult problems ahead with regard to solving the confederation difficulty is this whole question of partisan claims.

One of the last points I wish to make in relation to this matter has come to me in my reading from a book called "Beyond the ruling class" by Suzanne Keller, and it seems to me that this is one point which we should bring to the minds of the provincialists and the premiers of the provinces at this time. This writer makes the point of the experience of Greece in the fifth century B.C. and that of Rome in the fifth century A.D. She says:

> In each case the failure to control and curb the desires for local autonomy accelerated the decline of these civilizations. The inability to transcend sectional interests has plagued primitive societies as well, many of whom must manage to solve these problems without benefit of inclusive political organization. Various alternative measures—strict village exogamy, or membership in age-sets that override local village loyalties on specific occasions, or membership in far-flung trading associations—might be considered functional equivalents of political organizations such as the state.
>
> Advanced industrial societies, it appears, are currently on the way toward ever larger, functional divisions. This trend was anticipated by Saint-Simon, among others, who envisaged an international order based not on national but occupational co-ordination. Durkheim continued this line of thought. He favoured the displacement of segmental, territorial solidarity by a comprehensive, functional solidarity based on occupational interdependence, residence becoming less and occupation more important. "A day will come," he prophesied, "when our social and political organization will have a base exclusively, or almost exclusively, occupational". Increasingly it does appear as if local trading, academic, artistic, financial, and fashion centres are yielding ground, and territorial solidarities are making way for other kinds.

This is so obvious in North America that it hardly needs telling, and yet at this time we are making what in essence are demands across the board because of our fragmented political society. We are giving rise to a parochial autonomy.

I now want to refer briefly to Ontario's attitude toward the pension plan. I read recently an article by Bruce MacDonald in the *Globe and Mail* entitled "Robart's pension reversal", and it made me feel that I was completely wrong about Premier Robarts. I had a suspicion that he was interested in taking a stand which would be in line with the private insurance companies of Canada. He was against larger contributions. I thought he wanted smaller benefits. Now it seems he wants larger contributions and greater benefits and more investment moneys. This is an indication that Premier Robarts may be almost a blooming socialist. It almost indicates that he has been under the influence of the Swedes. Because if you stop and figure the line that Mr. Robarts is now taking—and Mr. MacDonald has outlined it very well—almost everything which Mr. Robarts now seems to be saying, although it does not square very well with what he said before, is an indicator that he is taking the long term attitude of the social democrats in Europe whereby investment from pension funds is one of the great big things you go for.

The other surprising thing to me, and very pleasing of course, is that he seems to want greater benefits, earlier benefits, more survivors' benefits, and of course this fits in with larger contributions. This remarkable about-face by Premier Robarts is something that we

need to know a great deal more about. But at the present time, from looking at what he seems to be intending, we almost have an indicator that all the long propaganda efforts of Donald MacDonald and his fellows in the provincial legislature are bearing fruit and that we now have a conservative who is recognizing the merits of social democratic pension attitudes.

One further point in connection with the pension plan is the attitude of the teachers federation. I think this is a glorious demonstration of inconsistency. In effect I have been a member of the teachers federation. They are a closed shop. You have to belong to them and pay a fee, and they have had a nice arrangement with the provincial government that whenever the school trustees in Ontario wanted provincial-wide bargaining in terms of salaries the great cry has gone up by the school teachers: "Oh no, we must keep it within the municipal boundaries. This is the authority by which education has been set in this province, and therefore we should and must keep it that way".

This is very good, Mr. Speaker, from what you might call the trade union point of view. You keep the bargaining unit small. You have a closed shop and you have the benefit of the whole federation across the provinces behind you. You separate the boards one by one and gradually work up over the years to a better salary standard. The Ontario teachers federation has done a magnificent job in this regard, and as one of the former members I was complementary to them when I belonged and I am complementary to them now.

Now they come out against the Canada pension plan and their argument is that it must be set within the provincial framework. They are provincialists where the pension plan is concerned. They are such provincialists that they go out of their way, on a matter in which they have no confidence and I would think a great deal of ignorance, to slur and slight our unemployment insurance plan in an effort somehow to indicate that the unemployment insurance plan is not working and is a failure. I just wanted to put that inconsistency on the part of the teachers federation on record, because some of the senior trustee associations might be watching and it might do the federation well suddenly to be faced with an irony such as that.

I did want to talk about the *Time* and *Reader's Digest* situation but I am not going to have the opportunity because time is pressing in. Time is always pressing in. However, I should like to say that I compliment two of the members on the Liberal side who spoke out against the bill. I know I was puzzled over the fact that this change in the budget was not handled by the Minister of Finance (Mr. Gordon) but was brought in by the present Prime Minister. I understand that the Prime Minister was informed last week that several Canadian magazines have to fold within a few months unless they get some assurance that there will be legislation, and furthermore that the legislation will not give *Reader's Digest* and *Time* any special status.

The burden of my remarks, Mr. Speaker, tonight is directed toward the S.I.U. situation on the great lakes. This is a matter which has been very close to all of us. I think it was an emotional event for many of us last year when we voted to set up the trusteeship because it was inimical to the experience and attitudes of many of us. I should like to argue that the trustees adopted the wrong argument right from the start. Instead of taking the Norris commission report as their guide and following its recommendations, they decided to ignore it. They decided to make their own independent assessment of the situation and devise policies which they considered more suitable. The reason why they refused to abide by the advice of Justice Norris is obvious. Because his recommended procedures for creating democratic unionism on the great lakes would have been a long, difficult task, involving the trustees in years of ceaseless effort and toil, they chose the easy way. They looked at the situation and concluded that the cause of all the labour troubles was the existence of competing unions among the seamen. Put them all in one union, they thought, and there would be no longer any reason for that one union to stage boycotts or strikes, or harass shipping in any way.

Looking for the easy way out, they selected the S.I.U. as the best union to be given a monopoly over all sailors. Why? Because the S.I.U. already had the great majority of them, and it would be a lot simpler to assist the S.I.U. in gobbling up the rest than to try to get the smaller unions to replace the S.I.U. No matter that the S.I.U. was a job-selling racket; no matter that the inquiry of Mr. Justice Norris had exposed it as a hoodlum empire. It existed; it was the biggest organization; so it should be the one to represent all the seamen. Also, it had the big American stick of boycotts in American ports against a Canadian union.

The trustees, and apparently the federal government, were concerned only with restoring peace on the lakes. Peace at any price—peace at the price of surrendering to the very hoodlums that the Norris commission exposed that the trustees, at least according to my impression and that of my colleagues, were assigned to clean out. This is the kind of

peace the trustees have negotiated—a peace based on unconditional surrender to the S.I.U.

I think we know that the trustees have made a token effort to democratize the S.I.U., and I expect that some time next fall they will proclaim that the work of purification is complete; that free elections are being held, and that the S.I.U. is now worthy to be readmitted into the Canadian Labour Congress. But, no free election, no free referendum can be held while the enforcement machine of the S.I.U. remains intact along the waterfront.

The minister seems doubtful, even now, about the real tactics of the S.I.U. He seems to have difficulty in accepting that there is still a "do not ship" list. Well, they call it a registry of charges now. If the minister wants to find it I suggest he go to the fourth floor of the S.I.U. building in Montreal. Let him go to the north side of the room where he will find a robot filing system next to a large grey filing cabinet. That is where he will find the R.O.C. list which is, in effect, a "do not ship" list.

The trustees have apparently accepted Leonard J. "Red" McLaughlin as being a reformed character. As vice president of contract enforcement, McLaughlin was chief "enforcer" of the S.I.U.'s hoodlum empire in Canada. Mr. Justice Norris found that $72,000 out of $80,000 of Banks' "play money" in the brief period examined was not accounted for in any way. The remaining $8,000 was accounted for by meaningless chits—"$500 for information", "$1,000 for public relations", and so on. McLaughlin was in charge of the money. Yet Mr. Charles Millard says Mr. McLaughlin was a reliable servant of the union. Scores of sailors were brutally beaten in "jackal attacks" and many, such as Fred Neubauer, who had both his kneecaps broken by a crowbar, came forward to testify. These beaten sailors had one thing in common: they opposed the S.I.U. I would like to ask the Minister of Labour (Mr. MacEachen) and Mr. Charles Millard who they think paid out the money for these professional beatings? Why, the man who was in charge of the money, of course.

Leonard McLaughlin has been named—not charged, but named—along with Banks and an ex-S.I.U. Vancouver port agent, as co-conspirator in the formal charge against Banks for the beating, maiming and half-killing of Richard Greaves, national president of the national association of marine engineers. Leonard McLaughlin was both the architect and the safe-keeper of the "do not ship" list, an infamous list now called the report of charges which contains the names of between 5,000 and 10,000 Canadian sailors. This vicious "do not ship" list is in effect at this moment in every S.I.U. hiring hall from Halifax to Vancouver, maintained by the maritime trustees in the name of the parliament of Canada. Every sailor who ever showed a spark of resistance to the Paul Hall-Hal Banks-Leonard McLaughlin hoodlum machine has his name on the "do not ship" list.

Mr. Justice Norris found McLaughlin to be a completely untrustworthy witness. He found McLaughlin responsible for the falsification of S.I.U. records. But the trustees now say he is a reformed man. McLaughlin was in charge of S.I.U. elections. The fraudulence of S.I.U. elections was spelled out in detail before the Norris commission—more votes recorded for Banks, McLaughlin and the rest of the hoodlums than there were ballots cast. In a S.I.U. referendum a busy little group is described sitting around marking ballots by the bushel. But Mr. Charles Millard says McLaughlin is reformed. How naïve is he? And how naïve does he think we are? I wonder if the trustees have read about the role of Leonard McLaughlin and Paul Hall in the so-called Todd trial, described in great detail in the transcript of the Norris commission, in which Hall, Banks and McLaughlin turned a trial into a farce to destroy the protest movement against Banks' dictatorship. That was in 1952. I wonder if they have read of the role of McLaughlin at so-called conventions of the seafarers international union—conventions attended by only about 50 or 60 delegates—in support of one-man rule for Banks in Canada.

What an incredible defeat for the forces of decency in the Canadian labour movement is now unfolding before us. After a three year battle and a year long inquiry and report, the spoils, in the form of the clean unions, the exonerated unions—the national association of marine engineers, the Canadian brotherhood of railway, transport and general workers and the Canadian maritime union—are to be cut up and given to the criminals—the union found guilty—the seafarers international union. To this list I might add the Canadian merchant service guild—a clean if numerically weak body which the S.I.U. would have little trouble gobbling up in the future.

Why has this come about? It has come about because the trustees have let Paul Hall use his one club—control over the United States ports—to dictate terms of unconditional surrender. Instead of a spectacle of which we might be proud—Canadians demanding rights for Canadian ships and Canadian unions in American ports and threatening to close our ports if they do not open theirs—we have Paul Hall saying: If you want to sail into Chicago where my goons run the

waterfront, you must (1) put my man McLaughlin in as president and (2) hand over the Canadian maritime union and the C.B.R.T. to me.

Well, the trustees have capitulated and the Minister of Labour defends them. And it is not just McLaughlin. Banks remains as vice president of the S.I.U. of North America, resident in Montreal—I ask hon. members to note that. The moment the trusteeship ends, McLaughlin again takes orders from Hal Banks. I want to know why the Canadian Labour Congress is silent about this. I want to know why Maurice Wright has not spoken up. He is the man who put together those extracts given to the Norris commission stating the C.L.C. position as to shipping on the great lakes. When one considers all the things the C.L.C. said before the Norris commission, why has it failed to respond at this new and crucial stage of the battle? Why does it appear to be making the very same mistake the Canadian labour movement, the T.L.C., made in 1948-49 when it helped to import the S.I.U. thugs in the first place? The answer to this question, I regret very much to say, is to be found in the fact that the Canadian Labour Congress is not yet fully able to act as a mature national labour centre in Canada, defending Canadian interests and expressing Canadian views. It is moving in the direction but it has not arrived yet at that point of development.

In a crisis between the Canadian and United States labour movements such as is involved here; with Paul Hall, a vice president of the A.F.L.-C.I.O.; with Hal Banks stronghly backed by George Meany, president of the A.F.L.-C.I.O.; with the powerful maritime trades department run by Paul Hall—in such a power struggle it would appear that the Canadian Labour Congress has to back down. I hope I am proven wrong. In the next few days, and especially at the C.L.C. convention which opens on April 20 in Montreal, the rank and file delegates, if not the leaders, can show me I am wrong and I hope they do. I hope we hear from Bill Dodge and Bill Smith about what I think is a sell-out by the national union in connection with a trusteeship such as this. If they fail to do this and the C.L.C. does not go on record in opposition to the continuation of the Paul Hall-Hal Banks-Red McLaughlin hoodlum empire and if they do not speak out for a Canadian resolution of the great lakes problem, rather than a solution dictated by American labour thugs, it will inevitably raise questions of a very fundamental kind about the relationship of any political party to the Canadian labour movement.

[Mr. Fisher.]

But what concerns us here in this house is something much more direct. We passed an act to establish a trusteeship to bring to an end the instruments of violence on the great lakes. The trustees instead have fallen prey to those whom they were commissioned to manage and control. Surely it is not possible for us to have continued confidence, on the basis of the facts as they are known to us, in these three misguided gentlemen, or in the bland assurances of an increasingly implausible Minister of Labour (Mr. MacEachen).

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, earlier today, in the course of what I think we will all agree was an inspiring contribution to this debate, the Prime Minister (Mr. Pearson) called upon members of the house and upon Canadians generally to work for the strengthening of our confederation. I intend to begin my remarks this evening by referring to one aspect of this problem, trade and trade policy.

As Minister of Trade and Commerce my duties have taken me into every major area of this country and I have been impressed, as I have never been impressed before, by the diversity of Canada. It has been said by a distinguished historian that "Canada's existence does not and never has depended solely upon national uniformity. The Canadian confederation came into being not to crush but to reconcile regional diversities." I think one might go further and say that these regional diversities can survive and flourish only if they are reconciled in a thriving and united confederation.

These considerations, it seems to me, are just as relevant to the economic life of our country as to questions of language and culture. There must be room in the Canadian system for every region to achieve its true and full economic potential. There are bound to be variations from time to time, of course, in the rate of growth of different areas. However, as part of our nationhood we must see to it that no region is allowed to fall too far behind in economic development and living standards.

This is a responsibility that the federal and the provincial governments share together and must discharge in understanding and co-operation. Economic sectionalism may sometimes produce short term advantages for the sections of the country that indulge in it, but it is surely the road to economic weakness and retardation for the country as a whole and thus for its parts. Sectionalism of this kind is even more ill advised and self-defeating today than when it was rejected a century ago by the founders of this country. If Canada's industries are to compete with

those of the European economic community, the European free trade association and the United States they must be permitted to operate within our much smaller economy on the most rational and efficient basis possible. They must not be forced or induced by sectional economic policies to fragment their operations or produce in areas that are basically unsuitable for the type of industry concerned. Their products must receive fair and reasonable treatment throughout our country regardless of their centre of operations.

In his remarks the other day the hon. member for Peace River (Mr. Baldwin) referred to "steps recently taken by the Quebec government in banning the export of lumber", which he depicted as improper both legally and otherwise. It seems to me, Mr. Speaker, that his words reflect some misunderstanding which I think should be corrected. As I read it, the announcement made by the minister of mines and forests for the province of Quebec was to the effect that it was intended to enforce more strictly existing legislation concerning logs for lumber and veneering purposes taken from crown owned lands.

Apparently it is the intention of the province of Quebec now to enforce regulations which have been in effect for many years governing the use of logs taken from timber limits under lease from the crown in the right of the province. I see no constitutional question involved here. The lands under these timber leases are the property of the crown. The conditions under which the limits may be enjoyed by the leaseholders are matters of contract between the leaseholders and the crown. I believe it is correct that every province in Canada with major forest resources attaches important responsibilities to the use of logging timber leases whether for manufacture of lumber, plywood, pulp and paper or other forest products.

I might suggest to the hon. member for Peace River that he examine the statutes of his province affecting the conservation and use of natural resources, particularly oil and gas. I see no suggestion that what is intended in Quebec is "banning the export of lumber" as was stated by the hon. member. The government of Quebec is concerned with the supply of logs for manufacturing within the provinces as governed by conditions attached to the leases. As I think I have indicated previously to the house, I have had some informal conversations with members of the Quebec administration about this matter and the minister, Mr. Cliche, has recently made a statement on this point that I hope members of the house will find reassuring.

In making these remarks I do not wish to belittle the concern of the hon. member for Peace River. Like him, I am concerned about the question of barriers to trade and about economic sectionalism generally within Canada because I believe that freedom of trade between the provinces is of the utmost importance to the health of the Canadian economy. There is a heavy responsibility upon all of us, whether we are in provincial or federal governments or whether we are in our respective legislatures, to ensure that any intervention we make will strengthen and not weaken Canada. I can say for the federal government that we will discharge that responsibility.

I am hopeful that by building up the habit and practice of co-operation between federal and provincial authorities in the trade field we shall be able increasingly to reconcile divergent regional interests. At the conferences of federal and provincial trade ministers and officials during the past three months, which I and my officials called, we sought to find ways of working together more effectively in promoting Canada's external trade. While the federal government has the responsibility to take the leadership in this field, the provinces, we have recognized, also have a vital role to play.

Matters relating to external trade policy are, of course, the sole responsibility of the federal government. Canada must be able to speak with one voice at international trade conferences and negotiations and must be in a position to enter into international trade agreement commitments and to fulfil them. I should like to say to hon. members that this was acknowledged by all the provincial ministers without exception.

All of this brings me to make a few remarks about the forthcoming round of tariff and trade negotiations, as the hon. member for Digby-Annapolis-Kings (Mr. Nowlan) invited me to do during this debate. In his budget speech the Minister of Finance (Mr. Gordon) referred to the prospect that these negotiations, known colloquially as the Kennedy round, would rank with the important trade negotiations that have taken place under the auspices of GATT since the end of the war. Hon. members may recall that the basis of these forthcoming negotiations was the decision of the GATT trade ministers last May when I attended the conference in Geneva on behalf of Canada. At that time several things were decided which I should perhaps recall: First, that the trade negotiations should begin on May 4, 1964; that the negotiations should be based on the principle of reciprocity; that there should be the widest possible participation in the negotiations; that

the negotiations should cover all classes of products, whether industrial or agricultural; that the negotiations should deal with both tariff and non-tariff barriers to trade; that they should be based on a plan of substantially equal linear tariff cuts for certain of the more highly industrialized countries; that the trade negotiations should provide for acceptable conditions of access to world markets for agricultural products, and that every effort should be made to reduce barriers to exports of the less developed countries. It was on the basis of these principles as agreed to last May in Geneva that a trade negotiating committee was established to work out or negotiate a plan to supervise the conduct of the negotiations. This committee has been at work and it has been trying to work out the negotiating rules relating to the countries participating on a linear basis, and particularly the question of the depth of the tariff cut, and the way of dealing with this problem of tariff disparities.

Now, since these negotiating rules will have an important bearing on the results, one can say that the negotiations which we have been talking about as if they were to begin on May 4, have really already begun. These negotiations have, in fact, now been in progress for some months. Since this matter is of very considerable interest not only to the members of this house but to the community at large, I should like to deal briefly, and I hope clearly, with the problems that are now under discussion.

The essence of the problem of tariff disparities is to develop equitable rules for negotiations of equal linear tariff cuts between countries with differing tariff levels or structures. This problem, as hon. members may well recognize, arises particularly between the European economic community and the United States because the tariffs which now surround the European economic community are the result of an averaging process, a process which was necessary in order to make one community out of the six countries that entered into the European economic community. During this averaging process most of the tariff peaks were removed. The United States, on the other hand, has many low rates, but more particularly high rates in certain sectors, rates that are substantially above the rates of duty for the same items in the common market tariff. The six contend that where their tariff is significantly below the level of the comparable United States tariff an equal linear tariff cut would not yield an equivalence of benefit. Last May it was agreed that the trade negotiations committee should develop a criteria for determining where significant tariff disparities exist—that is disparities which are meaningful in trade terms—and to determine what special rules should be applicable for tariff reductions in such cases.

Since the likelihood is that where tariff disparities are found to exist there will be a smaller cut in tariffs, the question of the number of items accepted for special treatment has an important bearing on the total scope of the negotiations and on the question of reciprocity of benefit. It may also have an important bearing on the exceptions which would be made to the general rule, and particularly upon the general position of countries other than the United States and the European economic community, who will be affected by the depth of the tariff cuts made by them. Although progress has been made, the chief countries concerned have not yet resolved these difficult issues. Further meetings are scheduled between now and the opening date of May 4.

The second and perhaps most important point that was referred to the trade negotiating committee was the depth of the tariff cut. The United States trade legislation allows for cuts of up to 50 per cent on an across the board basis and with few exceptions. It also permits the removal of United States tariffs where the rates are 5 per cent or less. The discussions that have been going on in Geneva have been going forward on the working hypothesis of a 50 per cent cut. Whether this will become the actual rule for tariff reduction remains to be agreed. How much of the tariff of the United States, of the European economic community and of other countries will, in fact, be reduced in these negotiations cannot be finally known until the end of the negotiations. It will depend on the extent to which the participating countries are prepared to exchange meaningful concessions. The actual average incidence of the cut will be determined, not only by the general rate, whatever that may be, but also by the number of disparities involved and the number of exceptions made.

We for our part, and I am speaking now on behalf of Canada, are hoping that our trading partners will be prepared to go as far as possible in offering reductions to barriers to our export trade. There is every evidence to suggest that the United States administration is determined to offer maximum concessions to other countries within the scope of the authority received from congress. The United Kingdom and the continental E.F.T.A. countries have indicated that they intend to make substantial and positive response and they are interested, like the United States, in keeping exceptions to the minimum and narrowing the list of disparity items. The European economic community, on the other hand, has reaffirmed its support for a major

round of trade negotiations but attaches great importance to a satisfactory resolution, from its point of view, to the problem of tariff disparities and to other matters bearing on the scope and balance of the negotiations.

I have referred to exceptions. These are items which countries may consider it necessary to withhold from their linear offer. It was agreed by the minister last May that such exceptions should be kept to a bare minimum; that they should be subject in each case to confrontation and justification. The United States, by its own trade legislation, is required to exclude from its tariff offer lead and zinc and petroleum. Other countries do not have such legislative requirements. They may, however, be expected to come forward with certain items on which they do not feel able to offer tariff cuts. Such lists of exceptions and the scope of them might well become a key element in the negotiations themselves.

For example, it would clearly limit the value of the negotiations for Canada if items of particular interest in our trade were included in the exceptions lists of countries where we have important markets.

The working out of negotiating rules with respect to trade in agriculture is also proving to be both delicate and difficult. It is agreed that trade in agriculture should be an integral part of the negotiations and that the negotiations are to deal with the creation of acceptable conditions of access to world markets for agricultural products.

Here, however, special measures of protection as most hon. members know, designed to support farm economies by one means or another make it difficult, indeed well-nigh impossible, to apply the same negotiating rules to basic agricultural products as can be applied to the negotiations in the industrial sector. In many cases, some very important for Canada as an agricultural exporter, the tariff is not the effective barrier to trade. In other cases, the tariff is used in combination with other restrictive devices. None the less, for efficient agriculture producers whose international trade has a substantial agricultural content, meaningful negotiations on agriculture will be a critical element in a successful negotiation. This is so for Canada and for the United States as well as for Australia and New Zealand. The problem of finding a satisfactory negotiating base has had the added complexity that the European economic community is still in the process of formulating its common agricultural policy. It will require a good deal of imagination and good will to work out a solid settlement with the community in an area in which, for most basic agricultural products, the key element affecting production and therefore the scope for imports is the level of the support price, the system and the price being protected by a variable levy at the frontier which has the effect of bringing up the price of competitive imports to the level of prices prevailing in the domestic market.

While it is too early to be clear about the prospects in this sector, negotiations have been initiated for world cereals arrangements and there appears to be a readiness to bring agricultural supports and domestic production policies under international negotiation and confrontation. Meat groups and dairy products groups have been established to look into the possibility of special international arrangements for these products. Canada and other traditional exporters are placing the emphasis on access and satisfactory international prices. The Six tend to approach the question from the basis of acceptance of their agricultural system and a form of negotiation which would be related to it but which would emphasize the status quo rather than the expansion of competition between domestically produced and imported products.

I trust that between now and May 4 sufficient progress will have been made to permit us to see our way ahead in the agricultural sector as well as for industrial goods and materials.

I have dealt at some length with these matters because reports about them have, in some cases, tended to create uncertainties and doubts about the Kennedy round of negotiations itself. From what I have said I am sure the house will appreciate that the difficult and complex nature of the issues under discussion make it inevitable that progress will take time. Delays and problems should occasion neither surprise nor discouragement. The negotiations are scheduled to open in Geneva on May 4. A period of initial assessment will no doubt follow. By autumn we can expect the beginning of an extended period of intensive negotiations. It will, I think, be a year or more of negotiation before we reach the end of the road, and the road will not be smooth. Given effort and good will, the final results can, however, be substantial and worth while.

So far as our preparations here in Canada are concerned, hon. members will have seen the Prime Minister's announcement of February 21 appointing Mr. Norman Robertson, under secretary of state for external affairs, as Canada's chief negotiator, with responsibility to the government for Canada's participation in the negotiations. I think we are all grateful also that we have been able to get the services of Mr. Hector McKinnon, who is one of the most experienced negotiators in our service.

A tariffs and trade committee has been established, and has invited briefs from all Canadian interests concerned. There has already been a good response from Canadian interests, and briefs are coming in in volume. The Canadian business community is showing greater interest in these negotiations than in any previous negotiations, and I am certainly encouraged by the response we are receiving.

The committee is busy and the government is looking forward to having the benefit of its advice as the process of consultation, analysis and assessment goes forward. Later in the year a group will proceed to Geneva to negotiate in the Canadian interest, and we expect that through the actual negotiating stage necessary liaison with Canadian interests will be maintained through Ottawa.

Sometime during this debate reference was made to commonwealth trade. This was high on the agenda of the meeting of the commonwealth economic consultative committee I attended last May in London, on the eve of the GATT ministerial meeting, and at that time commonwealth ministers agreed on the continuing importance of commonwealth trade. They also agreed on the need for a general expansion of world trade and on the importance of this for all commonwealth countries.

Commonwealth countries generally have been playing an active role in the preparatory stages of the GATT trade negotiations. Whether they be developing countries, or chiefly agricultural exporters like New Zealand and Australia, or countries like Canada and the United Kingdom, each has made clear the important benefits for trade which they see possible through the Kennedy round, and there has been very strong support throughout the commonwealth for the forthcoming round of tariff negotiations.

As in the past, any major world trade negotiations involving substantial reductions in barriers to international trade will inevitably involve adjustments in the commonwealth preferences. To the extent, for example, that the United Kingdom reduces its most favoured nation rates, the margins of preference of commonwealth countries in access to the British market would be reduced. Similarly, a Canadian participation inevitably involves adjustments in preferences that, for example, the British are accorded in this market. While no detailed discussions have been held with the British government on this matter, we have been in touch and the two countries will be consulting closely throughout the negotiations with a view to ensuring that, whatever adjustments in the preferences may be necessary, they are worked out in consultation. Similarly, we shall be in continuing close touch with the other commonwealth countries.

At the United Nations conference on trade and development, in which my colleague, the Secretary of State for External Affairs, participated, the question of extending new preferences and adjusting existing preferences is being actively studied as a possible means for assisting the less developed countries to improve their lot. It is important to understand that so far as our preferential arrangements with the less developed members of the commonwealth are concerned, criteria additional to considerations relating to Canada's trade directly with these countries will be brought to bear and may affect the future of these preferential arrangements.

Both my colleague, the Secretary of State for External Affairs, and I, have indicated to the house the sort of considerations that the government will be bearing in mind on this question of preferences.

Finally, Mr. Speaker, I would like to refer to the position of state-trading countries in relation to these international negotiations. As hon. members are aware, Canada has found some important and valuable markets within the Sino-Soviet bloc. There is every reason to believe that this area will continue to have substantial food import requirements that we should be in a position to supply. The framework for these commercial exchanges has generally been worked out through bilateral negotiations in which I had some participation, and in which, I understand, one of the ministers of the former government had also. It has so far not been found possible to bring state-trading countries into a multilateral trading framework.

One of the challenges of the future, as market economies seek to develop closer commercial ties with socialist planned economy countries, will be to see whether a broad and more or less continuing framework of multilateral trade can be developed, in which state-trading countries and the needs of market economies can be fitted together on a mutually satisfactory basis.

You will see, Mr. Speaker, from the problems I have discussed how difficult and complex a situation faces both the GATT conference, and the United Nations conference now in progress. The finding of the way through them will require patience as well as diligence. We should expect what appear to be delays and set-backs from time to time. This is in the nature of important world trade negotiations. However, I am encouraged by the progress that is being made, and look forward to the launching of the Kennedy round on May 4 next, and to the serious and worth-while negotiations that lie ahead. In them Canada will seek to play its full part.

In so doing, the government believes that it is acting not only in the interests of the people of Canada but also of the people of the world at large.

Hon. Leon Balcer (Three Rivers): Mr. Speaker, before proceeding to the less serious part of my speech I would like to make an announcement. The score, after one period of play at the Maple Leaf Gardens, is Toronto one Detroit one.

[*Translation*]

Now, Mr. Speaker, we heard a speech from the right hon. Prime Minister (Mr. Pearson) in which he dealt in a very eloquent manner devoid of any partisan prejudice, with the problems facing the Canadian confederation.

The Prime Minister expressed some concern about the present situation. He went even so far as stating that the time for building up the Canadian nation was over, and that the challenge facing Canadians in 1964 was to save the Canadian nation, neither more nor less.

As far as I am concerned, I must say that those are feelings which certainly are to the credit of the Prime Minister, but when I heard him say so this afternoon, two things came to my mind which recently impressed me.

First of all, the too obvious inability of the government to turn those fine feelings into action. Second, in spite of the Prime Minister's obvious goodwill federal-provincial relations never were at such a low ebb.

As a member from the province of Quebec, I have—as all the other members in this house, I think—the progressive evolution of our Canadian confederation at heart. However, I cannot but repeat that, for Quebec and the whole of French Canada, confederation has always been considered as a pact between the two great founding races of this country. The document, which was by no means perfect, nevertheless made a splendid contribution to the development of a great country on this American soil.

If we look back at the last century of this country's history, we must admit that it has been a real success so far as human relations are concerned. Those who conceived it deserve all our gratitude. They knew how to reach a compromise when it was needed.

If we consider the situation as described by the Prime Minister this afternoon, we should not hesitate, we Canadians of 1964, to apply to present problems the same spirit of compromise which was so successful in 1867. By compromise, I mean the term defined by the late president John F. Kennedy in his remarkable book entitled "Profiles in Courage", that is the compromise to which politicians must resort in dealing with state matters.

Here is how the late President Kennedy defined the word compromise:

[*Text*]

We shall need compromises in the days ahead to be sure, but these will be or should be compromises of issues, not of principles. We can compromise our political positions but not ourselves. We can resolve the clash of interest without conceding our ideals. And even the necessity for the right kind of compromise does not eliminate the need for those idealists and reformists who keep our compromises moving ahead. Compromise need not mean cowardice. Indeed it is frequently the compromisers and conciliators who are faced with the severest tests of political courage as they oppose the extremist views of their constituents.

[*Translation*]

I think that is a lesson in political history which applies to today's situation. And I do not hesitate for one second to call upon my compatriots and urge them to accept that definition in their relations with Canadian citizens in the rest of the country so that we can go hand in hand and build a great Canada for several more generations.

This afternoon, Mr. Speaker, the Prime Minister specially dealt with the position of Quebec within the Canadian confederation. Since the last world war, great changes have happened in Canada, and especially in the province of Quebec. Quebec was swept by the great technological revolution which shook the free world in the fields of economy, social relations, education and national aspirations, because there is in Quebec a new vision.

The new generation has become conscious of the great opportunities which are opened to her in the field of technology and economy. Our youth is attracted by technical education. Our universities, our great schools of engineering, commerce and technology have doubled or tripled their enrolments.

Quebec was recently described by a reporter as a young giant waking up and becoming conscious of his strength; and I am convinced that all sincere Canadians are cheering at that surge of French Canadians. It is unavoidable that such a sudden awakening will create disturbances, but we must not let the initiative fall in the hands of extremists. On the other hand, we must not see separatism in every one of the least claims put forward by Quebec, nor talk about concessions every time Quebec wants her rights to be recognized.

This afternoon, the Prime Minister seemed to be seeking a way to prevent that division which may have occurred between the two major ethnical groups in Canada from getting any wider. He was looking for a means to strengthen national unity, a formula which

would ensure for our country as brilliant a future as we seemed to have a few years ago.

I should like to suggest to my English speaking friends to imitate the example of Belgium and Switzerland and, in that connection, I call the attention of the house to a book written by a great journalist and a prominent member of the press gallery, Mrs. Ann Francis. That work, which was published by the Canadian institute of international affairs, is entitled: "Language—Bridge or Barrier".

Mrs. Francis wrote that booklet following a trip to Switzerland and Belgium. She described the situation existing in both countries and I believe the government could find there excellent solutions which could be applied to today's problems.

Let us remember that we have the example of Belgium where centralization has caused the dispute between Flemish and Walloon; so much so that today the country is divided and bloody riots break out at regular intervals. On the other hand, we have the example of Switzerland where minorities are treated intelligently and where the majority has established an atmosphere of peace, prosperity and mutual confidence, which has allowed Switzerland to develop and become a country respected everywhere in the world.

Let me quote the words of the minister of external affairs of Switzerland when asked by Mrs. Francis about his secret to remedy the situation and give satisfaction to the minorities, the minister had this answer:

"We have had our troubles. It took us many years to find the answer. Quite simply it is this. We spoil them".

Dr. Hans Zbinden, a leading sociologist at the University of Berne, said to Mrs. Francis:

[*Text*]

"We must not only respect minorities. We must make them feel we love them for their diversity".

[*Translation*]

Mrs. Francis added the following:

[*Text*]

These are not merely beautiful theories to impress a stranger. According to Dr. Hermann Weilenmann, a foremost Swiss historian:

"Although fewer than 30 per cent of the population speak romance languages, they are represented in the federal cabinet by three out of seven councillors. In the same way, there is a tendency to give linguistic, regional and often religious, minorities proportionally more voice on commissions and in the departments of the federal government and the cantons than their numbers would warrant. Likewise minorities are often given more subsidies than the majority to make them take a greater interest in communal affairs".

These might seem to be quite strong arguments in favour of greater advantages for minorities in Canada.

[*Translation*]

I believe, Mr. Speaker, that they must be quite serious after all, especially when they face such a situation over there, and that we should find among these various suggestions a formula that could be applied to Canada and which would solve our linguistic problems.

This afternoon, the Prime Minister expressed his deep concern over the situation facing us. His voice was not as depressed as when he made his statement on the results of the last federal-provincial conference, but I think that we understand his concern and we are in sympathy with him.

His government is on the verge of getting blamed, in Quebec, for double taxation which will no doubt result from the way Quebec was treated at that federal-provincial conference. His government is once again forced to withdraw its pension plan because it was obviously ill-prepared and it was too anxious, for some unknown reason, to impose its point of view on the provinces.

As far as the Conservative party is concerned, we are in favour of a national pension fund, but we want a plan which will respect the rights of the provinces in that field and will enable all Canadians to enjoy a well-deserved, comfortable and dignified retirement.

Mr. Speaker, we are at the crossroads in Canada, and I am of the opinion that all hon. members should make every effort to bring about the best understanding possible between all groups in the country. As for us, Conservatives, we have a long tradition of fostering mutual respect between Canadians and we wish to assure the house that we will fully support any measure designed to strengthen the bonds which unite the two great founding races of our country.

I wish to remind you that we must give evidence of tolerance and mutual respect because we are responsible for the future of a great country. I am convinced that we will not elude this challenge and that every one of us will do his duty. On the other hand, I hope the government will pull itself together, be better prepared and introduce a truly serious policy, carefully thought-out pieces of legislation that the house could really support unanimously.

[*Text*]

Mr. A. B. Patterson (Fraser Valley): Mr. Speaker, I realize that this is rather a late hour to be participating in a debate such as this, but nevertheless I appreciate the opportunity of making a few observations with respect to the issues before us. We have dealt down through the course of this debate with a great variety of subjects. There are those

who have been dealing with problems which face Canada as far as its very survival is concerned. There are those who have been dealing with the forces which would divide and destroy us. Others have talked specifically of issues which have to do with their own respective ridings. Tonight my remarks will be a mixture of several of these topics.

First of all I should like to suggest that we take a look at the budget which was introduced some time ago, and at the budget address delivered by the Minister of Finance (Mr. Gordon). It seems to me that the Minister of Finance has been trying to hide behind the royal commissions on banking and finance and taxation which have been set up to study these respective fields. While the minister has been trying to hide behind these commissions the Canadian people have been bowing under an almost unbearable tax burden. We realize that these commissions will be doing a very valuable job of work. We are looking forward with anticipation to the reports which will be brought in. But nevertheless I do not think we should wait until they are brought in before some definite action is taken to alleviate the conditions under which the Canadian people are presently living. A number of the proposals introduced by the budget were very welcome, but it appears that no attempt has been made to deal effectively with the major problems which are facing us. Or having studied them the minister seems to have given up in despair and hopes that the royal commissions will bail him out of a seemingly hopeless and impossible situation.

I hope that we in the Social Credit party have made it abundantly clear that we do not believe in opposition just for opposition's sake.

Mr. Woolliams: They have not got any opposition in Alberta at all.

Mr. Patterson: I think it is obvious that a lot of people have shown extreme wisdom in their choice of members in the provincial legislature and they have certainly endorsed the Social Credit administration for many years, and will no doubt do so for many years to come. As I was saying, I hope that we in the Social Credit party have made it abundantly clear that we are not interested in opposition just for opposition's sake, but do endeavour to criticize constructively and offer what we believe to be valid alternatives worthy of consideration and study. Therefore, in line with this principle we have consistently advocated the expanded use of the Bank of Canada as an effective means whereby our monetary system can more adequately fulfil its function in the economic life of the nation. More especially so in two particular fields; one, the control and liquidation of our national debt, and second, the provision of social capital through a municipal development bank.

I am not going to deal too fully with the first point tonight because my colleague from Medicine Hat (Mr. Olson), speaking in the debate some time ago, dealt in detail with the question of our national debt. I believe that this is becoming a matter for increasing concern to the Canadian people. It used to appear that the attitude was: "Well, what do we care? As long as we get the services we require what do we care where the government gets the money?" I submit that those days are gone and that the people of Canada are now asking the question: Just how much longer can we continue with deficit financing, adding to our national debt year after year after year, and building up debt charges to the point where they are now well over the $1 billion mark annually?

Mr. Woolliams: Why do you vote for the Liberals then?

Mr. Patterson: You would not want us to vote for the Conservatives, would you?

Mr. Woolliams: I certainly would.

Mr. Patterson: I do not know why. As we think of that particular problem I suggest that the Minister of Finance has not done very much in an endeavour to resolve the matter. I know he has referred to the necessity of bringing the budget more into balance, but we find that the policies which have been advocated are not doing very much to accomplish that laudable objective. I believe the time has come when we must pay attention to this matter of finding some way to finance our national economy without plunging the country deeper and deeper into debt.

My second point concerns the provision of social capital through a municipal development bank. We appreciate the fact that the government has heeded our recommendations to a certain degree. Down through the years we have strenuously and consistently advocated the setting up of a municipal development fund. In response to that the government did provide for the establishment of a municipal development and loan fund. However, even though we acknowledge that this is a step in the right direction, there is a vast difference between the proposals which we made in this connection and the regulations under which that fund is operating.

We believe that the money for this particular bank should be provided through the Bank of Canada, and provided at just the cost of administration. This money should be

lent to the municipalities for capital development in the social field, the building of hospitals, schools and all these other things which are not revenue producing but which do provide services to the people. In this way we believe that the municipalities could find a great measure of relief from the present staggering situation in which they find themselves, and will be able to go forward and provide these much needed services to the ever-expanding communities.

Therefore we ask the Minister of Finance tonight just what success has been achieved through the municipal development and loan fund. We have not heard very much about it. There was a great deal of talk when it was set up and there were portrayals of what this would mean to the municipalities in the fields of providing services and easing the burden of the municipalities in providing job opportunities. We had a great deal of discussion relative to these matters, but it seems to me that we have not heard very much in recent days of this particular program and the way in which it has succeeded —or rather not succeeded—in the realization of these particular objectives.

We suggest very sincerely, Mr. Speaker, that our proposals are much more realistic and would have had a far greater chance of reaching the objectives that the minister outlined when he announced the setting up of the municipal development and loan fund. Again let me mention them. First of all is the proposal to provide services to the municipalities. The municipalities are finding it almost impossible, in some cases completely impossible, to find capital at reasonable rates of interest in order to keep up with the immediate demands of their expanding communities.

We believe that our proposals would have assisted to a far greater degree in the accomplishment of this particular objective, the easing of the burden of financing upon the municipalities. The point has now been reached where municipalities have overreached themselves in an endeavour to fulfil their responsibilities, but now they are coming to the end of the way and are facing an impossible situation.

As far as job opportunities are concerned, we feel that far more would have been provided if the proposals we made with respect to the municipal development bank had been followed. We have made other suggestions during the course of the years and I should like to deal briefly tonight with the question of taxation because this is something which is vital. Other nations have faced this situation and decided that something must be done. Yet our own national government has made no progress along this path toward easing the burden of taxation on the Canadian people. Once again, Social Crediters have throughout the years urged a complete revision of the whole tax structure of Canada. We have heard members of other parties rising on occasions to make this same plea. But we have consistently advocated this course—a complete revision of the whole tax structure—and we do this because we believe it is time for us to face the realities of the situation. We know that this is one of the tasks before the commission on taxation as it makes its inquiry. We certainly hope this matter will be dealt with. But somehow or other we lose confidence in many of these commissions that are set up. They carry through their inquiries and then submit some recommendations, possibly, but many times they are simply apologists for the status quo; they do not recommend anything which is fundamentally different. Possibly they recommend a few things that may ease the situation, but unfortunately many of them fail to get to the root of the trouble and fail to make the radical recommendations which would achieve the results desired by the Canadian people.

As far as the easing of the tax burden is concerned, I think the United States has set an example. If I remember correctly, the Minister of Finance (Mr. Gordon) referred to this matter during his budget speech and indicated that the Canadian government was not willing to follow the same course; they did not believe it was in the best national interests at the present time. Well, I do not know when it is going to be in the best national interest. I do not know how much longer we shall be able to keep going. It seems as though the people are reaching a point where they cannot endure much more. We ask the question: Why can we not have some forward looking change as far as our tax structure is concerned? I know the minister will say that we are just awaiting the recommendations of the commission on taxation. Well, I hope we do not have to wait too long and that when these recommendations do come in the minister will not delay very long before he brings in some fundamental changes and reforms in this field.

We believe these levels of taxation which retard development and economic progress should be eliminated. We could reach a point at which taxes stifle development and stifle progress. Instead of increasing the national revenue they could actually decrease it. We trust the minister will give consideration to these matters in the near future. The present criterion as far as taxation is concerned seems to be how much the traffic will bear.

Is there not some new way in which we can raise a few more million dollars for the treasury? Is there not some way whereby we can impose another tax here and another tax there, because we need the money and are obliged to find additional sources of revenue and additional fields of taxation? How much will the traffic bear? That seems to be the question. But I suggest to the Minister of Finance that it will not bear very much more.

I wish to mention one tax in particular. There was an indication in the budget speech that the minister and the government would not proceed with the additional increase in the sales tax. There were those who sincerely hoped there would be an announcement along those lines. There were some who were optimistic and who really expected it. Perhaps there were others, more like Doubting Thomas, who were content to wait until they had heard such a statement from the minister himself. Unfortunately, we found the hon. gentleman was determined to continue this tax—that he was resolved to allow the increase to take effect. Of course we are still receiving petitions opposing this tax. I know it is of little use to quote from them tonight, because the minister has already made up his mind. If all the briefs and all the speeches and all the pleas and all the requests which have been made to him in the past on this subject have gone unheeded, I am sure one or two more would not make very much difference tonight in the closing minutes of this debate. Nevertheless, I believe the minister would have been wise had he acceded to these requests and taken a position other than the one he did. I wish to refer to a statement made in the publication "British Columbia Forest Industries" volume one, No. 3, of March 1964 under the heading "Taxes Weaken Competitive Position." The writer points out that the effect of taxes such as sales tax on the tools of production make Canadian production less competitive on world markets, where 70 per cent of British Columbia's forest output is sold, and also inhibited the flow of capital needed. That is just one opinion. There are many others which could be quoted.

I should like, also, to mention the question of the redistribution of tax revenue. Of course we know this is a matter which is under active consideration, that it has been discussed at length in the dominion-provincial conference and, no doubt, it will continue to be an important subject at other conferences yet to be held. I am sure everyone at all levels of government recognizes now that there must be a redistribution of tax revenue so that each level of government may be able to take care of its constitutional responsibilities. I should like to make some specific suggestions to the minister. In case he has forgotten, there are still some ways in which he can ease the burden of taxation on the people of this great nation of ours. I am not going to speak in generalities. I intend to bring what I have to say down to several brief statements.

I see the time is passing and if I were following the role I followed for quite a few years I would say I was going to give the skeleton of my sermon. But this is not a sermon, tonight, I know. I should like to make some specific suggestions relative to taxation, especially as it affects ordinary people—not the corporations, not those in the high income brackets, necessarily, but those at the lower income levels. Surely, some of these things could be tidied up so as to bring alleviation to various groups of people. We have advocated, and we continue to advocate, that a depreciation allowance on private homes be permitted as a logical income tax deduction. We also believe that home property tax allowances should be deductible for income tax purposes. We have recommended, and still recommend, an increase in basic exemptions.

I think it is highly ridiculous that we still stick to a basic level which was set years ago, when we all know that the cost of living has risen tremendously over the intervening years. I suggest that if $1,000 was necessary to buy the essentials of life years ago it takes much more than $1,000 to buy those same essentials today. It seems to me that was the criterion when the basic exemption was set. So we suggest that this matter be reviewed with the objective of raising the basic exemptions for income tax purposes.

There is one other matter in this field I should like to mention. The minister may say it does not involve very many people but I should like to bring it to his attention once again. I have done so before and I also submitted a letter to him. The matter concerns the inequities in taxation so far as workers are concerned. I sent the minister a copy of a letter I received in which one of these inequities is set out in detail.

The letter is from a logger. He set forth all his expenses for travel, and so on, and then compared his situation with that of a railway worker. He pointed out that the railway worker was allowed to deduct his travelling expenses but one engaged in logging was not given the same consideration. I am not going to take the time to read the letter although I should like to put it on the record. However, I bring it to the minister's attention once again in case the letter was pigeonholed somewhere and he has forgotten about it. I hope he will drag it out and tidy up some of these things that irritate some of our workers. I

believe that the concessions granted to workers in certain fields should also be granted to workers in other fields as well.

To sum up my observations with regard to the tax field, I suggest to the minister that Canadians cannot shoulder any additional taxes, and if this trend continues I think the goose that lays the golden egg is going to be a goner.

Mr. Woolliams: He is dead now.

Mr. Patterson: There is just one other matter to which I should like to refer very briefly, the situation of superannuated civil servants. I know this question has been raised many times. I suppose the hon. member for Winnipeg North Centre (Mr. Knowles) has raised it more than anybody else and I have also had occasion to raise it. We have asked the minister to review the pension regulations, and so on, but so far there does not seem to have been any positive action in this regard. Whether or not it is right I do not know, but it has been brought to my attention that rather substantial increases in pensions are being contemplated for those who retired after 1947. As I say, I do not know whether this is true but I have been told it is. I think this is right and proper.

But I should like to raise the matter of those who retired prior to 1947. I have correspondence from some of these people who find themselves in almost impossible financial circumstances because the amount of pension they are receiving at the present time is so inadequate that they cannot maintain a decent standard of living. Therefore may I make a plea once again that in reviewing the legislation relative to the pensions of superannuated civil servants consideration be given to those who retired prior to that year in the same way that consideration apparently is being given to those retired since. There are some other matters to which I should like to refer but I believe my time has almost expired.

[*Translation*]

Mr. Fernand E. Leblanc (Laurier): Mr. Speaker, in my opening remarks, I should like to express my gratitude and my thanks to the people of the fine riding of Laurier who made it possible for me to speak in this house which embodies the best parliamentary traditions in the world.

I consider that as a duty because an opponent of mine, accompanied by his father, insulted my constituents on the night of February 10 last when the Liberal party scored a victory.

I have here a photocopy of a Montreal newspaper, the *Gazette,* of February 11, 1964, which shows a picture of the hon. member for Villeneuve (Mr. Caouette) with the caption: "You call it democracy, I call it ignorance."

A little further, the newspaper stated the following:

[*Text*]

Sipping a Coke and drawing on a thin cigar, Mr. Caouette declared Montreal voters to be sick, sick, sick.

[*Translation*]

In the same article, the reporter had this to say:

[*Text*]

Someone else said: "The people in Montreal are like sheep. They move only with a mass movement."

[*Translation*]

That is why, Mr. Speaker, I hasten to render a tribute to those gallant, hardworking, honest, reliable and intelligent people who put common sense always ahead of every consideration. Those people tried to render a tribute to hon. members and to the Pearson cabinet for the splendid work they accomplished during the first session. To encourage the representation and the cabinet to pursue their policy of full employment, of economic revival and Canadian unity, those people put their trust in a Liberal.

They remembered, and will long remember, that the course of our party has been indicated since 1877 by the true founder of Liberalism in Canada, Sir Wilfrid Laurier, when he said:

I am a Liberal. I am one of those who think that everywhere, among the human race, there are abuses to be reformed, new horizons to conquer, new forces to develop.

I would be remiss, Mr. Speaker, if I did not mention the untiring devotion, loyalty and sincerity of all those who, near or far, worked together to form that famous Liberal team of the county of Laurier which has always been the envy of our political opponents.

Unfortunately, only 40 per cent of our people exercised their right to vote, whereas, in 1962, 64 per cent of the people and in 1963, 68 per cent went to the polls.

It is generally recognized that a by-election does not cause as much enthusiasm as a general election. As a matter of fact, in 1949, in my riding, at a by-election, only 31 per cent of the electors voted.

That fact is no indication, however, that the Liberal party was losing ground in my riding, since the Liberals received 49 per cent of the ballots in 1962, 44 per cent in 1963 and 51 per cent on February 10 last.

All my opponents lost their deposits, because the people expressed their absolute confidence in me. I can understand the

grudge and the fury of my opponents, but I will never admit that they should depreciate and insult the population of my riding.

I consider that it was a Liberal victory over the Ralliement Creditistes. I consider that the people of Laurier caused, to bite the dust not the son, Gilles Caouette, my opponent, but rather the father, the hon. member for Villeneuve, who, in all probability, wished to have two seats in this house and draw two indemnities. The Montreal newspaper the *Gazette*—

Mr. Gregoire: Mr. Speaker, I rise on a point of order. While the hon. member for Laurier has the floor, some Liberal members, all around him and closer to the microphone than he is, are chatting, discussing and talking together, so that we can hear his friends' conversation better than his own speech. Perhaps what he says is not very important, but we would appreciate hearing him just the same. Therefore, I would request that his colleagues, at least, permit the hon. member for Laurier to speak in order that we may hear what he has to say.

Mr. Speaker: The hon. member for Laurier has only a few minutes left to finish his speech.

Mr. Leblanc: To summarize the first part of my speech, I will say that *La Presse*, in its issue of February 22, 1964, stated this:

If people had really wanted to express feelings that are contrary to the general political opinion prevailing in the rest of the country, they would have voted in far greater number.

To go on to something else, Mr. Speaker, it was with particular interest that I found on page 14 of the March issue of *Selection du Reader's Digest*, an article entitled "How to create new jobs".

That article not only reflected my own convictions, but also those of the Pearson government, and it gives me pleasure to quote from it the following extract:

We need business contractors, big and small. The role of the state should consist in giving them greater encouragement and not put grit in their bearings.

Our Liberal government has always promoted small free enterprise by giving it technical assistance and lending it money. It was given that encouragement for social, economic and political reasons.

Our Liberal government has always put into practice the principles enunciated by His Holiness Pope John XXIII in the encyclical *Mater et Magistra*. Here is an extract from it:

At the outset it should be affirmed that in economic affairs first place is to be given to the private initiative of individual men who, either working by themselves, or with others in one fashion or another, pursue their common interests.

The Liberal government set up a board to assist small private industries. On the other hand, it is against commercial combines, mergers and trusts.

Our Liberal government understands that to govern democratically is not mainly to lead free and intelligent people but rather to give leadership to a nation so that it may reach its goal.

It must take into account the common good rather than the private one. And what is common good? I quote from a definition given in this respect by His Holiness Pope Pius XII:

External conditions as a whole which are necessary to the citizens for the development of their values, their functions their material, intellectual and religious life.

[*Text*]

Mr. Speaker: Order, please; it being 9.45 o'clock p.m. it is my duty pursuant to section 6 of standing order 58 to interrupt these proceedings and forthwith put the question on the main motion. Is it the pleasure of the house to adopt the motion?

An hon. Member: On division.

Motion (Mr. Gordon) agreed to on division.

WAYS AND MEANS

The house in committee of ways and means, Mr. Lamoureux in the chair.

CUSTOMS TARIFF

Resolved, that schedule A to the Customs Tariff be amended by striking out tariff items 219a, 326m, 326n, 399a, 410c, 410d, 410e, 683 and 848, and the enumerations of goods and the rates of duty set opposite each of these items, and by inserting therein the following items, enumerations of goods and rates of duty:

Progress reported.

Mr. MacNaught: I think it would be the desire of all hon. members if you would call it ten o'clock, Mr. Speaker?

Some hon. Members: No.

Mr. MacNaught: Since there is not unanimous consent to call it ten o'clock, we will take the second reading of the electoral boundaries bill.

REDISTRIBUTION

PROVISION FOR BOUNDARIES COMMISSIONS AND READJUSTMENT OF REPRESENTATION

The house resumed from Thursday, March 12, consideration of the motion of Mr. Pickersgill (for the Prime Minister) for the second reading of Bill No. C-72, to provide for the establishment of electoral boundaries commissions to report upon the readjustment of the representation to the provinces in the

House of Commons and to provide for the readjustment of such representation in accordance therewith.

Hon. Gordon Churchill (Winnipeg South Centre): This is the next item of business to come before us, and it is of considerable importance. We spent two or three days on it earlier in the session, and I presume the house is of a mood to proceed with it fairly rapidly. I believe it will be called as the matter of business for tomorrow, in addition to the time we may spend on it tonight. I am quite prepared to make some contribution to this debate now, and I will complete my remarks when we reach the committee stage.

Twelve years ago the subject of redistribution was in front of this house. I made an intensive study of the problem and prepared a major speech on the subject. However, I was seated in the back row against the curtains, and everybody who occupies that position today will understand why I did not get an opportunity of contributing to that debate. I find now that I have a chance to put some thoughts on the record with regard to this very important subject. I am in agreement with the mover of the motion, the Minister of Transport (Mr. Pickersgill) and others who have spoken in this debate, that we have now reached a land mark in Canadian history and we are going to deal with the problem of redistribution in perhaps a more sensible manner than has been the case in other years.

What I have to say is in the same mood and temper of the remarks made by others who have spoken in the debate. It is a serious consideration of this problem and I have no intention of referring to incidents in the past illustrating how redistribution was dealt with at that time. We are coming of age in Canada with regard to this problem and are simply attempting to do now what perhaps we should have done many years ago. We are following the example set by other countries.

One thing which concerns me, and I am going to limit my remarks to this subject, is the attitude that will be taken by the commissioners when they approach this problem. I am not going to enter into discussion as to whether there should be one commission or ten, although I prefer only one. But no matter how many commissions there are, when the commissioners finally get down to work I am concerned about how they will approach the problem, because we have had a variety of opinion expressed in the house with regard to the tolerance factor which has been written into the bill.

It may be that the commissioners will have uppermost in their minds—unless they have seriously considered this problem—strict representation by population. It may be that they will have other views with regard to how they conduct their operation, and I do not know how parliament can be assured that they will interpret the will of parliament when they undertake their task. They may lean more to strict representation by population than perhaps would meet with the opinion of those hon. members who have already addressed the house.

Two or three hon. members who have spoken have gone very far towards the strict representation by population idea. Others have expressed the idea that the tolerance should be anywhere from 20 per cent to 33⅓ per cent. We are not setting out in the bill, although this will be discussed when we reach the particular clause, a very strict set of guidance rules for the commissioners, except for the tolerance figure which is to be written into the bill.

Reference has been made to the experience in some countries. New Zealand and Australia have been mentioned, but I think the commissioners' attention should be drawn to the experience in the British Isles where, in 1944, when they started on this problem of taking care of redistribution by a commission, they introduced a tolerance figure of 25 per cent into their act. With their experience based on that, the commissioners then discovered it limited them in making divisions of the constituencies, recognizing the county and borough divisions in the country, and the special features of certain areas in the United Kingdom.

Therefore, in 1947 the British parliament passed an act to modify the 1944 act, and the 1947 act had a very interesting phrase introducing it. It is called an act to relax the rules as they were set out in the third schedule of the 1944 act, and in the 1947 act they rescinded the rule which set the tolerance figure at 25 per cent and left it open, without restricting in any way the activities of the commissioners.

If you read the reports of the commissioners for England proper, for Scotland, Wales, and Northern Ireland—because they have the four commissions—you find reference by the commissioners to the advantage they found in the removal of that restriction. Consequently we should consider very seriously whether or not the experience in England should be given weight. Rather than tie the hands of the commissioners can we not leave them the freedom that perhaps they will require in dealing with certain areas?

The second thing I would like to spend some time on, but I have only three minutes left tonight, is to say that no matter how much we like to talk about representation by

population—it is an attractive subject and many years ago I made a speech on it myself, but I have changed my opinion since then—Canadian experience is not solely that of representation by population because, throughout our history, we have recognized area representation, and we are familiar now with the smaller representation of the Atlantic provinces, particularly Prince Edward Island.

We are also familiar with the small representation figure required for the Yukon and Mackenzie. We know, from our early history, that Manitoba and the Northwest Territories of that particular period had a number of seats in this house when their populations warranted perhaps only one. So, throughout our history we are familiar with representation which is not strictly related to population.

It seems to me that we are set with this pattern for Canada. No one has suggested changing the representation for Prince Edward Island, or wiping out the senatorial floor. No one has suggested changing the representation for the Yukon and the Northwest Territories, because we think it is advisable to have people representing the hinterland of our country. I think this aspect of Canadian history on redistribution should be uppermost in the minds of the commissioners when they undertake their work. If they approach this with the knowledge we in the house have concerning these problems, then when they come to apply their plans for each province they will make allowance for area representation and will not attempt to follow strictly a representation by population rule.

At the same time our hope is that the great disparities will be discontinued, these tremendous disparities in our urban centres.

Some hon. Members: Ten o'clock.

Mr. Churchill: Oh, I thought the house would want me to go on; but it is now ten o'clock.

BUSINESS OF THE HOUSE

Mr. Churchill: May we hear from the acting house leader as to the business for tomorrow and the balance of the week?

Mr. MacNaught: Tomorrow, Mr. Speaker, we will continue with this debate, and when it is concluded we will take up the resolution preceding the Post Office Act amendments. Then we will go on the budget resolutions. On Monday there will be a motion to go into supply.

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

APPENDIX "A"

REPORT OF THE SEVENTH MEETING OF THE CANADA-UNITED STATES INTERPARLIAMENTARY GROUP

The seventh meeting of the Canada-United States interparliamentary group was held at Washington and Cape Kennedy from Tuesday, January 14 to Sunday, January 19, 1964. Twenty four members of the congress of the United States and 24 members of the parliament of Canada participated. In accordance with established practice at previous meetings of this group, discussions were conducted in a frank and informal manner and without regard to political affiliation. It should also be emphasized that the talks were entirely off the record and, in no sense, official discussions between the governments of the two countries. They were simply an unofficial exchange of views by parliamentarians interested in one another's problems.

The agenda for the meeting was worked out by agreement among the four co-chairmen, Senator George Aiken of Vermont, Representative Cornelius Gallagher of New Jersey and the two Canadian Speakers. Once an agenda had been agreed upon and the Canadian delegation selected, a series of four oral briefing sessions were held. These sessions were attended by ministers, deputy ministers and other senior government officials, who addressed the delegates and led question and answer periods. The oral briefings were supplemented by extensive written material provided to each member of the delegation and prepared by the appropriate government departments, notably external affairs, defence production, trade and commerce and labour.

The delegation we had the honour of leading represented Canada with great credit and we wish to express our appreciation to the leaders and whips of all political parties for their co-operation in the selection of delegates who were able to make a significant contribution to the discussions. A glance at the list appearing as Appendix "A" to this report will reveal the unusually high calibre of the delegation. For example, the representatives of the Senate included the only Canadian who has attended all seven meetings of the Canada-U.S. interparliamentary group (Senator Sydney Smith), a privy councillor (Senator McCutcheon), a senator with long experience in both Canadian houses (Senator William Taylor), a senator who has made valuable contributions to earlier meetings of this group (Senator Inman), and a senator whose eloquence and Irish wit more than compensate for any lack of seniority (Senator O'Leary).

The delegates from the House of Commons included three privy councillors (Mr. Starr, Mr. Monteith, and Mr. Martineau), a national party leader (Mr. Thompson), a parliamentary secretary (Mr. Byrne) and a former parliamentary secretary (Mr. Nesbitt), a party whip (Mr. Knowles), the chairman of the defence committee (Mr. Sauvé), the deputy speaker (Mr. Lamoureux), the deputy chairman of committees (Mr. Batten) and a former provincial attorney general (Mr. Fairweather). Backbench representation was a happy blend of youth and experience and of various political affiliations and included Mr. A. J. P. Cameron, Mr. McIntosh, Mr. Brewin, Mr. Latulippe, Miss Jewett and Mr. Chrétien.

The Canadian delegates and their wives were welcomed at the opening plenary session on Tuesday, January 14, by the United States co-chairman who emphasized their great satisfaction that the interparliamentary group was renewing its sessions after a lapse of almost two years. Later the same day, Representative Gallagher was host at a luncheon in the new Senate office building for the Canadian delegates, who then visited the House of Representatives. Meanwhile, the wives of the Canadian delegates were taken for a tour of the library of congress and the supreme court building, a luncheon in the Capitol with Mrs. Wayne Morse and Mrs. Cornelius Gallagher as co-hostesses, followed by a tour of the Capitol and of Washington. That evening the members of both delegations and their wives were guests at a reception given by the Canadian ambassador and Mrs. C. S. A. Ritchie.

Following the plenary session, the group broke into two committees. Committee I discussed defence and foreign policy matters of joint national interest, such as defence production sharing, hemispheric defence and NATO relations; committee II focused its attention on economic matters such as trade with communist countries, aid to the trade with underdeveloped countries, and labour problems on the great lakes. In each committee, a number of items not included on the agenda came under discussion, such as the recent crisis in Panama, Canada and the

organization of American states, the Passamaquoddy power project and the Canadian decision to declare a 12 mile exclusive fishing zone. The first committee met under the co-chairmanship of Representative Gallagher and Speaker Macnaughton; the second committee was co-chaired by Senator Aiken and Speaker Bourget. The membership of the committees is shown in Appendix "A" to this report.

At the conclusion of the business sessions which are summarized in the committee reports appearing as Appendix "B" to this report, the Canadian delegates proceeded to the floor of the United States Senate where they were welcomed by Senator Aiken, Senator Mansfield, Senator Holland and Senator Young. An extract from the Congressional Record of January 15, which is printed as Appendix "C" to this report, contains the statements of welcome. Following a luncheon at which the Canadian delegates were guests of Senator Aiken, a press conference was held by the four co-chairmen.

Late in the afternoon of Wednesday, January 15, the members of both delegations and their wives had the great honour of being received personally by the President and Mrs. Johnson at the White House. That evening the Canadian delegates and their wives were the guests at a reception and dinner given by the United States delegation and addressed by Secretary of State Dean Rusk.

On Thursday morning the members of both delegations and their wives paid a solemn visit to Arlington national cemetery where Speaker Bourget laid a wreath at the tomb of the unknown soldier. The United States co-chairmen paid a similar tribute at the site of the Canadian Cross. Speaker Macnaughton laid a wreath at the grave of the late President John F. Kennedy as a mark of respect from the people of Canada.

Thursday afternoon the group left Washington by air for historic St. Augustine, the oldest city in the United States. Here the program included a reception and dinner offered by the United States delegation and attended by the mayor, members of the chamber of commerce and ranking city officials.

Friday the party proceeded by bus to Cape Kennedy where the following day, an extensive tour was made of the installations of the national aeronautics and space administration (NASA) and the U.S. air force. This included detailed explanations by the responsible scientists of the various space programs such as Ranger, Titan, Gemini and Saturn, and on the spot inspections of the several launching sites, affording the Canadian delegation an insight into the complexity and magnitude of the United States space program.

Both delegations returned by air to their respective capitals on Sunday, January 19.

It was the consensus of those members of the United States and Canadian delegations who had attended previous meetings of the Canada-United States interparliamentary group that the seventh meeting was among the most successful to date. From the Canadian standpoint, this was due, in very large measure, to the care that went into the selection of delegates and the preparations for the meeting and to the responsible attitude of all delegates. It was gratifying to us, that, without exception, the Canadian delegates attended all meetings and other functions and participated to the very fullest extent in the discussions.

We would not wish to conclude this report without mentioning the important contribution made to the success of the meeting by the wives who accompanied most delegates. As it was well said on another occasion, their presence more than doubled the effectiveness of the exchange in the promotion of good will and understanding.

We should like to record our appreciation to President and Mrs. Johnson for their graciousness in receiving the delegation. We should also like to express our thanks to the co-chairmen, Senator Aiken and Congressman Gallagher, and to the members of the United States delegation for the warmth of our reception and to congratulate those responsible on the excellence of all arrangements. We should also like to thank the R.C.A.F., the Department of Transport and the United States air force for taking care of all transportation arrangements. Finally, we wish to acknowledge the excellent staff work on the part of officials of various departments of the Canadian government who assisted us so greatly with the organization of the meetings and in our preparations for the discussions.

Dated at Ottawa, March 6, 1964.

Maurice Bourget,	Alan A. Macnaughton,
Speaker of the Senate.	Speaker of the House of Commons.

Joint Chairmen

Appendix "A"

DELEGATES
to the
Seventh Meeting

CANADA-U.S. INTERPARLIAMENTARY GROUP

The delegates, arranged according to the committees on which they served, were the following:

COMMITTEE I—DEFENCE AND FOREIGN POLICY

United States Delegation

Representative Cornelius E. Gallagher (Co-Chairman)
Senator Mike Mansfield
Senator Spessard Holland
Senator Philip A. Hart
Senator Karl E. Mundt
Senator Milton Young
Representative William T. Murphy
Representative John M. Slack, Jr.
Representative Harris B. McDowell, Jr.
Representative Fernand St. Germain
Representative Mark Andrews
Representative George M. Wallhauser
Representative Robert McClory

Canadian Delegation

Hon. Alan A. Macnaughton, (Co-Chairman)
Hon. William H. Taylor
Hon. F. Elsie Inman
Hon. Paul Martineau
Mr. Herman Batten
Mr. Jack McIntosh
Mr. Maurice Sauvé
Mr. A. J. P. Cameron
Mr. Andrew F. Brewin
Mr. R. Gordon Fairweather

COMMITTEE II—ECONOMIC MATTERS

United States Delegation

Senator George D. Aiken (Co-Chairman)
Senator Wayne Morse
Senator E. L. Bartlett
Senator John O. Pastore
Senator Edmund Muskie
Senator Edward Kennedy
Senator Len B. Jordon
Representative Thaddeus J. Dulski
Representative Harold T. Johnson
Representative William S. Broomfield
Representative Stanley R. Tupper
Representative Howard W. Robison
Representative James F. Battin

Canadian Delegation

Hon. Maurice Bourget (Co-Chairman)
Hon. M. Wallace McCutcheon
Hon. Sydney J. Smith
Hon. M. Grattan O'Leary
Hon. Michael Starr
Hon. J. Waldo Monteith
Mr. Wallace B. Nesbitt
Mr. Robert Thompson
Mr. Lucien Lamoureux
Mr. Stanley Knowles
Mr. James A. Byrne
Mr. Henri Latulippe
Dr. Pauline Jewett
Mr. Jean Chrétien

STAFF

United States Delegation

Mr. Darrell St. Claire
Dr. Albert C. F. Westphal
Mr. Seth Tillman
Mrs. Louise O'Brien
Miss Millrae Jensen

Canadian Delegation

Mr. George Carty
Mr. M. L. Card
Mr. G. C. Cook
Mr. R. W. Nadeau
Mr. L. S. Virr

Appendix "B"

COMMITTEE REPORTS

COMMITTEE I—DEFENCE AND FOREIGN POLICY

The Present Situation in Panama

The present crisis in the relations between the U.S. and Panama was discussed as part of the larger problem of the hemispheric relations of Canada and the U.S. The maintenance of active control by the U.S. over the Panama canal, including the preservation of the security of the canal, was justified by U.S. delegates as vital not only to the defence of this hemisphere but also for the commerce of all maritime countries that have access to its facilities upon the payment of uniform and modest tolls. In this connection, it was pointed out that Latin American countries in particular rely on the canal for their participation in world trade.

Several U.S. delegates explained the genesis of the present crisis. The flag issue was only a symptom of more basic issues. Among the reasons advanced for the crisis were the economic disparity between the loving conditions of U.S. and Panamanians working in the canal zone, a growing nationalist sensitivity in Panama, approaching elections in that country in which candidates use the presence of Americans as a campaign issue, and communist-inspired activities.

In response to a Canadian inquiry comparing the U.S. role in Panama with its role in the Suez situation, it was pointed out that the Suez canal had been privately owned, whereas the U.S. has treaty rights agreed to by two sovereign governments. The Panama canal, unlike the Suez canal, is not a sea level canal and requires the presence of highly skilled and efficient personnel for its successful operation. Moreover, the cost of the canal was borne entirely by the U.S. The gross investment by the U.S. in the canal, exclusive of investment in military facilities is about $1.7 billion. Of this amount, $1.1 billion has been recovered from revenues, leaving an unrecovered net investment of $600 million. For the last fiscal year the net revenue to the U.S. from the canal was only $2.3 million. Ancillary work in connection with the construction of the canal, such as health measures, made the isthmus a habitable piece of territory; economic improvements have accrued to the advantage of the Panamanian citizens. It was noted that Panama itself has not advocated internationalization of the canal.

Canada and the Organization of American States

The discussion of the present troubled situation in Panama led into consideration of the question of Canada's joining the organization of American states (O.A.S.). Several United States delegates expressed the strong belief that it would be very desirable that Canada join without further delay. The statements of Canadian delegates reflected the complexity, from the Canadian viewpoint, of the question of Canadian membership in the O.A.S. On the other hand, it was pointed out that for a relatively small country Canada was already well extended in international affairs, with commitments in many areas of the world. In addition, unlike the United States, Canada has no history and tradition of close association with Latin America but has looked to Europe and the commonwealth connection, and there are some who maintain that joining the O.A.S. would be inconsistent with these historical ties and attitudes. Further, it could be anticipated that difficult problems would confront Canada from time to time as the second North American country in the organization. On the other hand, several Canadian delegates expressed the opinion that too much weight has been given to these negative considerations and that the time has come for Canada to give most serious consideration to joining the O.A.S. It was suggested that there is a need for Canada, with its skills and resources, to contribute more directly to the development of Latin America, bearing in mind the constant danger of social unrest and subversion arising from low living standards. It was also recognized that Canada could and should take an active interest in the progress and development of the newly emerging countries in the Caribbean. It was noted that the fact that many Canadians are of French origin and tradition is a great asset in relations with Latin America. United States delegates stressed that Canadian membership in the O.A.S. would in itself be a great asset to the organization and would add to it a further measure of dedication to democratic principles. Canada's basic philosophy of government is little different from that of the United States and both, along with all Latin American countries, have in common a spirit of independence and recognize the need for mutual security of the hemisphere.

Sharing of North American Defence and the NATO Alliance

The committee noted the mutual responsibilities of the United States and Canada for North American defence and reviewed their respective commitments to NATO in the light of changing economic, military and political considerations.

The new special committee on defence of the Canadian parliament recently visited NATO Europe and members recalled European concern about future United States and Canadian intentions with regard to maintaining forces in Europe. Such concern is leading France, for example, to develop her own independent nuclear deterrent in the face of continued communist threats to world peace. As European defence resources and power increase, the question arises whether Canada and the United States, being the two non-European countries in NATO, should review their changing role. Is it normal and desirable for North American forces to be stationed indefinitely in Europe? The newly established special committee on defence of the Canadian parliament has in effect endorsed Canada-United States defence arrangements, and the United States delegates welcomed this evidence of continued Canadian interest in co-operation in defence matters.

In the light of the heavy burden of defence costs and such new strategic developments as the ICBM, it was debated whether Canada should continue to contribute some small fraction to the now massive western deterrent forces or should develop a new and different role. One approach might envisage the Canadian contribution as a small but well equipped mobile force available for any appropriate world peace keeping mission.

Much discussion concerned the problem of control of nuclear weapons within the western alliance and the position of some members of NATO with respect to the development and maintenance of independent national

nuclear capabilities. The committee considered some of the possible means of dealing with this situation, such as the proposed seaborne multilateral nuclear force, or MLF, and recognized the difficulties in the way of finding a solution to this problem which would be satisfactory to all members of the alliance. It was suggested that the incentive to develop independent nuclear capabilities might be lessened by finding some way of associating all members of NATO more closely with the decision making process in respect of the possible use of these weapons. United States delegates noted that several United States proposals within NATO with this objective in mind had failed to be accepted. It was agreed that the major endeavour should be in the direction of reducing the danger of nuclear war by determined efforts in the pursuit of peace. It was pointed out that the disarmament talks could be an extremely useful vehicle in this regard. The test ban agreement was the result of a desire of nations in achieving the goal of a lasting peace.

In general the committee concluded that the success of the alliance to date could accommodate some minor adjustments of forces but that both Canada and the U.S. must and would continue to meet their agreed commitments to NATO and North American defence, while looking to other allies to carry out an appropriate portion of the defence burden as their resources increased.

One good working example of defence co-operation among interdependent allies was the Canada-United States defence production sharing program.

The committee recalled that in recognition of their joint responsibilities for North American defence, the program had been initiated to encourage Canadian industrial participation in U.S. defence requirements to balance Canada's continuing procurement from U.S. sources of major weapons following the Canadian decision to abandon her own independent development of certain major defence equipments. The five years experience with the program had demonstrated that it was a practical and sensible approach to co-operation in industrial research, development and production founded on mutual understanding and of practical advantage to both countries. Although, for the first few years of the program, Canadian production sharing procurement from U.S. companies had exceeded U.S. procurement in Canada, more recently United States procurement in Canada has exceeded Canadian procurement in the U.S. However, the current Canadian requirements for U.S. armoured vehicles, and the anticipated completion of certain U.S. aircraft procurement from Canada indicated that the program in the future would tend to a long term balance.

The U.S. and Canadian members were unanimous in their support of the defence procurement objectives and emphasized the desirability of sharing not only defence production but also the earlier essential phases of research and development where each country has specialized and unique capabilities to support North American defence needs.

In conclusion the committee recognized that there remain several outstanding subjects of contention between the two countries which is an inevitable consequence of two nations sharing a continent and a broad variety of responsibilities. Among these issues are such matters as the Canadian withholding tax on the earnings of foreign investment in Canada, Canadian export incentives in the automobile and automobile parts field, and the proposed United States interest equalization tax. The Canada-United States interparliamentary group provides a most useful forum in alleviating such problems to achieve better understanding and relations.

COMMITTEE II—ECONOMIC MATTERS

Free World Trade

The committee discussed current problems and prospects of trade between Canada and the United States and with other free world countries. It was agreed that with respect to world trade in general the two countries have similar interests, such as the maintenance of export markets for agricultural products and problems in common such as continuing balance of payments deficits, although the latter problem results from different causes in each country.

The two delegations exchanged views on the prospects of the forthcoming Kennedy round of tariff negotiations and on the problems posed for both Canada and the United States by current policies of the European economic community. Each delegation requested the other's views as to the prospects for extensive tariff reductions in the Kennedy round. The U.S. delegation expressed cautious optimism for the general lowering of tariffs but expressed misgivings with respect to agricultural products. The Canadian delegation indicated that Canada will join in the effort to attain tariff reductions in many areas but expressed concern as to the high level of certain specific U.S. tariffs. It was pointed out the GATT member countries have agreed that the formula for across the board tariff cuts would not be appropriate for Canada in view of Canada's particular pattern of trade and economic activities, but that Canada would

be prepared to pay in full by tariff concessions for all advantages gained in the negotiations.

The committee discussed in some detail current problems of trade between Canada and the United States. It was pointed out by the Canadian delegation that while Canada's over-all world balance of trade is favourable, its balance of trade and payment with the United States, its principal market, is chronically adverse. Canada, it was emphasized, therefore views with concern any restrictions on the entry of Canadian goods into U.S. markets. Members of the Canadian delegation expressed dissatisfaction, for example, with U.S. quota restrictions on Canadian dairy products, such as cheddar cheese. The Canadian delegation further emphasized the great importance which is attached to the U.S. market for Canadian lumber, among other reasons because of increased competition from the Soviet union and Scandinavian countries for certain European markets.

Trade with Communist countries.

Members of the two delegations expressed general agreement that certain forms of trade in non-strategic goods with communist countries are proper and advantageous. There were, however, differing opinions as to the desirable over-all volume of trade with communist countries and as to the specific communist countries with which trade should be conducted. Specifically, the Canadian delegation did not share the view of the U.S. delegation that a firm embargo should be maintained on trade with Cuba and communist China.

The question of extending credits to communist countries was discussed. Members of the U.S. delegation expressed the view that there should be strict limits on the extension of credits to communist countries, not because these countries are regarded as bad credit risks, but because it is feared that the extension of liberal credits will enable them to divert resources to purposes inimical to western interests. Members of the Canadian delegation expressed the view that, with certain exceptions, communist countries should be granted non-discriminatory terms of trade.

There was frank discussion of the policies of Canada and the United States with respect to trade with Cuba. Members of the U.S. delegation noted with concern that part of the wheat sold by Canada to the Soviet union has been diverted to Cuba. Members of the Canadian delegation expressed the view that there is considerable misunderstanding in the United States as to the scope of Canadian trade with Cuba. Canada's trade with Cuba, it was pointed out, consists only of non-strategic goods, is on a small scale, and has diminished in recent years. Members of the Canadian delegation pointed to the inconsistency between the sale of wheat to the Soviet union by the United States and its maintenance of a strict embargo on trade with Cuba and communist China. The United States delegation asserted, in response, that Cuba was, for historical reasons, an area of exceptional United States interest and concern. This concern, in the view of the United States delegation, is reasonable and necessary and one which the United States hopes will continue to enlist the sympathetic understanding of its friends.

The deliberations of the committee revealed differing opinions with respect to trade with communist China. Members of the United States delegation expressed the view that communist China should be denied trade as well as diplomatic recognition and admission to the United Nations as long as it refuses to renounce force as an instrument of national policy and refuses to accept the continued existence of the Chinese nationalist government in Taiwan. Members of the Canadian delegation endorsed the need for a continuing embargo on trade in strategic goods with communist China but questioned the view that a policy of rigorous embargo on trade in non-strategic goods would prove effective as a means of deterring Chinese communist aggression. It was agreed by both delegations that the trade policies of their two countries with respect to the communist bloc should be governed by considerations of their own economic and political needs as well as by their desire to deny significant economic benefits to potential antagonists.

Law of the Sea

By mutual agreement the committee devoted considerable time to a thorough discussion of the situation created by the announcement by the Canadian government of June 4, 1963 that it intends to declare in May 1964 a 12 mile exclusive fisheries zone, the 12 miles to be measured by a straight headland to headland base line method. The Canadian delegation explained the particular problems presented for the Canadian fisheries industry by the presence of large numbers of foreign fishing vesels operating close to the Canadian shoreline. The Canadian delegation also emphasized that in the statement of policy of June 4, 1963, the Canadian Prime Minister declared Canada's intention to enter into direct discussions with interested foreign countries, the United States and France in particular, with a view to protecting treaty rights and taking into account claims to historic rights by those countries.

There was general agreement in the committee that in the matter of fisheries rights and the closely related question of territorial waters it would be highly desirable to proceed by way of an international agreement. Some United States members suggested that another effort be made in concert with other interested governments to call together as soon as possible an international conference to discuss fisheries conservation matters and to attempt to arrive at an international convention, quite possibly one based on a 12 mile fisheries limit, which would allow for direct bilateral arrangements concerning any traditional rights. The Canadian delegation drew the committee's attention to the fact that the Canadian government would prefer an international agreement and had so stated but that the failure of the Geneva conference of 1960 and of subsequent consideration of the problem had led to the conclusion that international agreement on the fisheries issue and the related question of territorial waters was not to be expected in the near future. Consequently, the Canadian government considered it imperative that action be taken by Canada to protect its fishing interests.

Some members of the United States delegation emphasized that, apart from the merits of the proposed 12 mile fisheries limit, the long established principles of international law involved in this whole question were of vital importance. In accordance with this view, it was contended by the United States delegation that the resolution of the issue as a matter of international law by means of international negotiation was at least as important as the contents of any agreement that might be reached.

The committee noted that the executive branches of the two governments were continuing their discussion of this question and the hope was expressed that any differences of opinion would be amicably resolved.

Interest Equalization Tax

The committee discussed the proposed United States interest equalization tax bill and also the tax measures invoked by Canada which will affect United States subsidiary companies in that country. The Canadian measures were designed to encourage Canadian ownership of domestic industry while United States measures were designed to help solve the United States balance of payments problem. The Canadian delegation pointed out that Canada was the country most directly affected by the interest equalization tax proposals and was most appreciative of the exemption granted to Canada by the United States on new issues of securities. They expressed the hope that this exemption would be extended to cover existing securities. While both delegations expressed regrets at these restrictions on the traditional free flow of capital between the two countries, they recognized that these measures were necessary expedients designed to solve critical problems in each of the two countries.

Labour problems on the Great Lakes

The Canadian delegation outlined in some detail the background to the serious problems which have been created on the great lakes by differences which had arisen within the Canadian labour movement as to union representation on great lakes vessels. It was pointed out that following increasing violence and the closing of the St. Lawrence seaway in June of 1962, the Canadian government, at the urging of the Canadian Labour Congress, appointed an industrial inquiry commission. Justice Norris, the industrial inquiry commissioner, recommended in his report that the maritime unions involved be placed under trusteeship. It was emphasized that the Canadian government took the view that developments left no other choice but the appointment of a trusteeship, either government or private.

The United States delegation indicated their understanding that the United States government had attempted to prevent difficulties in United States ports, and that the department of labor was doing everything possible, within United States law, to protect Canadian shipping.

The committee viewed this question with concern because of its continuing adverse effects on Canadian-United States relations and expressed the hope that every effort would be made to reach a satisfactory resolution of the problem.

Passamaquoddy Power Project

The U.S. delegation drew the committee's attention to the recent report of the department of the interior which recommended the construction of a tidal power project in Passamaquoddy bay. This project would be associated with hydroelectric developments on the upper Saint John river. Development of these two projects would require resolution of a number of questions and agreement of both the United States and Canada.

The Secretary of State has been instructed by the President to enter into negotiations with Canada as soon as possible. While there have been technical discussions, formal negotiations have not yet commenced. The U.S. delegation pointed to the benefits of joint development and expressed the hope that it might be possible to begin negotiations at an early date with a view to reaching a constructive agreement.

Roads to Alaska

The committee discussed the economic benefits that could accrue to both countries through improvements in the Alaska highway system. They also explored the specific problems involved in any improvement of the system including paving and relocation.

A member of the Canadian delegation expressed the view that there would have to be some agreement between the two countries on the sharing of the considerable costs involved in these improvements.

Appendix "C"

CONGRESSIONAL RECORD—SENATE

Extract from the Congressional Record
January 15th 1964

VISIT TO THE SENATE BY MEMBERS OF THE CANADIAN PARLIAMENT

Mr. Aiken: Mr. President today the Senate is signally honored by being visited by 24 members of the parliament of Canada, our closest friend among all the nations and one with which we have more than 3,000 miles of common boundary.

Our friends from the north have been here to discuss matters which pertain to their country and ours—both matters in which we have a co-operative interest and some matters in which we have competitive interests.

At this time I wish the *Record* to show the presence in the Senate chamber of these distinguished visitors. We appreciate their visit far more than can be expressed by mere words.

I take pleasure in introducing them to the Senate. Following their introduction luncheon will be served in the reception room.

First I am delighted to introduce to the Senate the Speaker of the Canadian Senate, Hon. Maurice Bourget. He and I are really neighbours, for his home is only a short distance across the boundary between the Province of Quebec and Vermont. He is co-chairman of this parliamentary conference. (Applause.)

The other members of the Canadian Senate who are visiting the Senate today are: Hon. M. Wallace McCutcheon a former member of the Canadian cabinet, as are several of the others whom I shall introduce. (Applause.)

Hon. W. H. Taylor. (Applause.)

Next is a lady Senator, Hon. F. Elsie Inman, who, I believe, has attended the delegation meetings for as long as I have. (Applause.)

Then we go to the Pacific coast, where Hon. Sydney J. Smith represents British Columbia. (Applause.) I know that his record is as good as mine in attendance at the seven parliamentary conferences which have been held during the past few years.

Last, but not least in the Senate. Hon. M. Grattan O'Leary. (Applause.) As his name might indicate, Mr. O'Leary is very plain spoken in discussions. We are very happy that he is with us.

Now I come to members of the House of Commons from Ottawa. I present, first the speaker of the Canadian House of Commons, Hon. Alan A. Macnaughton. (Applause.) He is a neighbor of mine. He lives just across the Vermont border in the province of Quebec. He is also co-chairman of the delegation meetings.

Hon. Michael Starr, another member from New Brunswick, is an ex-Cabinet member of Canada. (Applause.)

Hon. J. Waldo Monteith, who also has been a Cabinet member. (Applause.)

Hon. Paul Martineau, who is also an ex-Cabinet member and who has almost been something else—almost. (Applause.) He has held a prominent position in the Canadian government. When I said "almost" facetiously, we anticipated that he might be Speaker of the House of Commons. He served as Deputy Speaker.

Now we come to Mr. Herman M. Batton. (Applause.)

Mr. W. B. Nesbitt. (Applause.)

Mr. Jack McIntosh. (Applause.) In Vermont we think a great deal of the name "McIntosh." We sell about a million bushels a year of the MacIntosh apple, easily the best apple grown. I believe the applause is for you, Jack, and not for the apple. (Laughter.)

Mr. Robert Thompson. (Applause.)

Mr. Lucien Lamoureux (Applause.)

All the Canadian political parties are represented in this delegation; but as sometimes happens in the United States, it is difficult to tell from the appearance of a member to which party he may belong. So I am not trying to identify any of our guests by party affiliation.

Mr. Stanley Knowles. (Applause.)

Mr. James Byrne. (Applause.)

Mr. Maurice Sauvé. (Applause.)

Mr. A. J. P. Cameron. (Applause.)

Mr Andrew Brewin. (Applause.)

Mr. R. G. L. Fairweather. (Applause.)

Mr. Henry Latulippe. (Applause.)

The next member, who received her education in the United States, is Dr. Pauline Jewett, a graduate of Harvard. (Applause.)

Finally, Mr. Jean Chretien. (Applause.)

I know that the conferences have been attended 100 per cent, which should be a good object lesson for some of our own committees. The attendance has been exceptionally good, in spite of the fact that because of

certain emergencies that arose two or three members were unable to attend all the sessions.

There have been fruitful discussions, and we have become well enough acquainted so that when the discussions were over, everyone wished to talk some more. That is a sign of a good meeting.

Once more, I wish to tell our friends how glad we are that they could be with us.

Mr. Mansfield: Mr. President, will the Senator from Vermont yield?

Mr. Aiken: I am happy to yield.

Mr. Mansfield: I deem it an honor and a privilege to join the senior Republican in this body, the distinguished senior Senator from Vermont (Mr. Aiken), chairman of the subcommittee on Canada of the committee on foreign relations. To the best of my knowledge, under a Democratically controlled congress, he holds the only chairmanship—a well-deserved honor.

Mr. Aiken: A rather well-controlled Democratic congress. (Laughter.)

Mr. Mansfield: We are delighted to have our colleagues from Canada in the chamber.

We are especially happy to have Speaker Bourget and Speaker Macnaughton present, because they bring together neighbors who really know enough about each other so that once in a while they can quarrel and get away with it.

The Senator from Vermont (Mr. Aiken) has mentioned the fact that 3,000 miles of border lie between us. It is a border which is indefensible because it needs no defense.

Coming from the State of Montana, I should like to say, as I have done so many times, that my state has the longest border with Canada. We extend 700 miles along the southern part of Canada, bounded by British Columbia, Alberta, and Saskatchewan. We have close and intimate ties with our neighhors in those three provinces. We celebrate "Canadian days" throughout the year because we like to get Canadian dollars, too, occasionally.

It is good to have you here. You do us honor by visiting us in this Chamber. We are extremely happy that the interparliamentary conferences which began under the chairmanship of the distinguished Senator from Vermont (Mr. Aiken) and have continued under his leadership since that time, have been so fruitful in bringing about better understanding and greater tolerance between our two peoples.

I hope that this will not be the last time you will visit this chamber. I only hope that the next time you visit the Senate, at least some of you will sit on the Democratic side of the aisle, so that we may have a fair representation, too.

Thank you very much.

Mr. Holland: Mr. President, will the Senator from Vermont yield?

Mr. Aiken: I yield.

Mr. Holland: Mr. President, I have enjoyed exceedingly the great pleasure of meeting these fine Canadian visitors.

I cannot claim, as can the distinguished Senator from Vermont (Mr. Aiken), to be a next door neighbor to Mr. McIntosh, whose name has been given to the best Vermont apple; and I cannot claim, as can the majority leader, to have the longest border with Canada. But I can claim that we have our full share of Canadian visitors every year in the State of Florida which in part I represent and that we are proud to have retained many thousands of them as citizens. They are among our finest citizens.

So, from this side of the aisle, I extend the warmest possible welcome. We hope it will be warm when our distinguished friends reach Florida tomorrow afternoon, so that the warmth of our welcome can be more evident than in the present environs of Washington.

I have known of no occasion in which the complete, non-partisan nature of an important operation of the Senate and of the House of Representatives has been so well evidenced. In the Senate the distinguished Senator from Vermont has been chairman of the delegation and chairman of Committee No. 1. The distinguished Senator from North Dakota has been chairman of Committee No. 2. Senators on this side of the aisle, of whom there have been several of us, have been quite content and happy to serve under their leadership.

I hope these distinguished Senators of the minority party have enjoyed their leadership fully, because I do not believe they have had the opportunity to enjoy it, so much as they should, perhaps in other activities of the Senate.

We are delighted to have had these Canadian ladies and gentlemen with us. Speaking only for a part of this great nation, which may be farthest from Canada, may I say that your coming here and our visits with you have been but a symbol—and a significant one—of the warm friendship which prevails between your great country and ours, and which we hope will always prevail, because the might of these two countries together and the friendship of these two countries together have a weight in world affairs which cannot

be measured by any ordinary method. It speaks for itself as being one of the great friendships of our troubled world.

Mr. Aiken: I deeply appreciate the remarks of the Senator from Florida. The Senator has performed yeoman service as a member of the U.S. delegation, as have all the other members, except the two who were interrupted, one by sickness and one by an emergency.

I appreciate the fact that in the presence of our distinguished visitors from Canada, the center aisle of the Senate Chamber is eliminated, just as we always eliminate the international boundary between the United States and Canada when we are thinking of North American welfare and the welfare of our two countries.

When I introduced Mr. Andrew Brewin and Mr. Jean Chretien, they were outside the door and I was a little too fast for them. They are now in the Senate chamber. The Canadian delegation has a 100 per cent attendance. Let that be a lesson to us.

Mr. Young of North Dakota: Mr. President, I wish to join Senator Aiken and say what a pleasant experience it has been to work with so many distinguished members of the Canadian parliament. It has been a wonderful experience. I should like to take the present occasion to say a word about the International Peace Garden, which is located on the border between Canada and the United States. The garden is dedicated to the peace which has existed between our two countries for more than 150 years.

Mr. President, the purpose of the International Peace Garden can be best summed up by quoting the beautiful words inscribed on the cairn located in the center of the Peace Garden astride the international boundary:

> To God in His glory—we two nations dedicate this garden and pledge ourselves that as long as men shall live, we will not take up arms against one another.

The International Peace Garden is one of the most beautiful spots in the world. It is visited each year by thousands of people from the United States and Canada. Construction is continuing through the financial cooperation of the Canadian government, the province of Manitoba, the state of North Dakota, and the government of the United States.

I extend to everyone an invitation to visit this beautiful spot.

Mr. Mansfield: Mr. President, I ask unanimous consent, as a mark of respect and honor, that the Senate stand in recess subject to the call of the Chair for the purpose of allowing Senators an opportunity to meet our Canadian visitors.

There being no objection, the Senate (at one o'clock and 23 minutes p.m.) took a recess subject to the call of the Chair.

At one o'clock and 29 minutes p.m., the Senate reassembled on being called to order by the Presiding Officer (Mr. Walters in the chair).

Mr. Mansfield: Mr. President, is the Senate still in the morning hour?

The Presiding Officer: The Senate is still in the morning hour.

APPENDIX "B"

GREAT LAKES—REPORT ON LOW WATER LEVELS

Several hon. members have recently expressed concern respecting the low water levels currently prevailing throughout the great lakes basin and I can now make a statement concerning this matter. On page 1,647 of *Hansard* I provided the hon. member for Leeds with the water levels at Kingston, Ontario, and Prescott, Ontario, and the outflows of lake Ontario since 1938. I am tabling today two reports of the international joint commission dated December, 1958, and April 5, 1961. The first report summarizes all available information on the comparison of lake Ontario water levels including the effects of precipitation, evaporation, winds and barometric pressure changes, ice retardation and crustal movement, diversions into and out of the great lakes basin and operation of the outlet control of lake Ontario and lake Superior. The second report deals with methods of regulation and includes the text of orders of approval for the construction and operation of the St. Lawrence power project.

As hon. members will realize the principal cause of current low water levels is the abnormal low precipitation which was about 3" below normal during 1962, and 5" below normal in 1963 over the great lakes basin. In addition above normal temperatures have caused higher than usual evaporation. Due to the enormous storage capacity of the great lakes levels change very slowly and while the normal seasonal rise will produce some improvement for the present, below normal levels will obtain generally during the balance of this year. Hon. members will recall that some 12 years ago the situation was quite the opposite with much damage resulting along the shoreline during the high water levels. These cycles have persisted over the period of water level records on the lakes and there is no evidence to show a long term rise or fall in the average water level.

In view of the concern which has been expressed in this house and the complexity of the problem and profusion of available reports and data, I have asked the water resources branch of my department to prepare a report summarizing the studies on the fluctuation of the levels of all the great lakes as well as the effect of regulatory measures both in operation and proposed.

HOUSE OF COMMONS

Wednesday, April 15, 1964

The house met at 2.30 p.m.

PROCEDURE

TABLING OF SECOND REPORT OF SPECIAL COMMITTEE

Mr. Speaker: I have the honour to present to the house the second report of the special committee on procedure and organization. At this time I would like to recognize the hon. member for Winnipeg North Centre (Mr. Knowles), who is chairman of the subcommittee on procedure of the general committee which prepared the report just tabled.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I rise merely for the purpose of giving oral notice, which I will later give in writing, that on Friday on behalf of the committee I shall move that the house concur in the second report which Your Honour has just tabled. I give this notice now so that hon. members can read the report in *Votes and Proceedings* and, we hope, be ready to concur in it when it is moved on Friday.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

*INCREASE IN SALARY OF C.B.C. PRESIDENT

Question No. 104—**Mr. Ricard:**

What standards were used to determine and justify the amount of the increase granted December last to the president of the Canadian Broadcasting Corporation, Mr. Alphonse Ouimet, when his salary was raised from $20,000 to $40,000 per year?

Mr. Pearson: Mr. Speaker, I should like to answer this question in some detail.

The board of directors of the C.B.C., on October 30, 1963, unanimously recommended that the salary of the president of the corporation be established by the governor in council at $50,000. In support of this recommendation, a number of considerations were adduced:

(1) In the absence of any action by the governor in council to establish a salary for the president, as was required under section 25(1) of the Broadcasting Act of 1958, the present incumbent from the time of his appointment in 1958 continued to receive only the salary of $20,000 which had been approved for him in 1954 when he occupied the lesser position of general manager of the corporation, under a full time chairman of the board;

(2) The Fowler commission had judged the salaries of both the chairman and the general manager to be seriously inadequate in 1957;

(3) The responsibilities of the chief executive of the corporation had grown many fold since 1954;

(4) The Glassco commission has stated that a substantial increase in the salaries of the chief executive officers was needed;

(5) The prevailing rates of remuneration for positions of comparable responsibility in industry ranged as high as $100,000 per annum;

(6) The salaries of chief executives in other crown corporations, holding offices of comparable responsibility, were substantially higher; and

(7) The limitations imposed on other C.B.C. salary scales by the abnormally low salary set for the president placed the corporation at an increasingly serious disadvantage in attracting men of competence and experience to fill senior posts.

In considering the recommendation of the board of directors, the government recognized the force of their arguments. However, in order to maintain a reasonable relationship between the remuneration of the president and that of other senior officers of the public service, it was felt necessary to fix the salary at the lesser amount of $40,000 per annum. This was done by order in council P.C. 1963-5/1855, dated December 20th, 1963.

Mr. Ricard: Mr. Speaker, I wish to thank the Prime Minister for the answer he has given, even though it seems it has taken a long time to get it.

Some hon. Members: Order.

CANADIAN RAILWAY BOARD OF ADJUSTMENT

Question No. 269—**Mr. Rideout:**

1. On what date was the present Canadian railway board of adjustment No. 1 constituted?
2. For what purpose was this board created?
3. What was the actual cost, per year, per party, during the period April 1, 1954 to March 31, 1963, covering the actual function of the board?
4. What items would this amount cover?

Mr. MacEachen: 1. The agreement between the railway association of Canada and six trade unions which first established Canadian railway board of adjustment No. 1 was dated

August 7, 1918. In a further agreement dated April 15, 1921, the board was continued.

2. The preamble to the agreement of April 15, 1921 states as follows: Whereas the parties hereto, guided by a desire to aid in the preservation of industrial peace in the Dominion of Canada, have resolved upon the appointment of a board composed of members to be selected as hereafter prescribed, which shall have full power and authority to determine all differences which may arise between any of the said railways and any of the classes of its employees abovementioned, and which are not settled between the officers and employees of the railway concerned, including the interpretation of wage schedules or agreements, having due regard to the rights of the several classes of employees and of the railways respectively.

3. and 4. This information is not available in the Department of Labour.

IMMIGRATION TARGETS FOR 1963

Question No. 294—**Mr. Hales:**

1. In the month of January, 1963, did the then minister of citizenship and immigration establish any targets or objectives for immigration in the year 1963 and, if so, what were such targets or objectives?

2. What was the actual immigration to Canada in 1963?

3. For what reasons was it not possible to achieve the targets or objectives established in January, 1963?

Mr. Tremblay: 1. Yes. The then minister communicated certain views and an immigration objective for that year in a confidential document to the then acting deputy minister. So far as the department is aware, the target or objective was not publicized.

2. 93,151.

3. Without commenting further on the objective referred to in the answer to part 1 of this question, the fact remains that an increased number of immigrants did come to Canada in 1963 as compared with 1962. The government anticipates that a further increase in immigration will occur in 1964, and intends to provide every facility to the immigrant and to the department toward this end.

TENDERS FOR TURBINES

Question No. 341—**Mr. Howe (Hamilton South):**

1. Has the government asked for tenders on the building of turbines that have previously been built in Canada by the Canadian Westinghouse Company?

2. Is there any possibility that these turbines are going to be built in England rather than in Canada, and thereby increase Canadian unemployment by so doing?

Mr. Drury: 1. No.

2. Not applicable.

SALES OF INDIAN RESERVE LANDS

Question No. 448—**Mr. Howard:**

Since January 1, 1963, have any Indian reserve lands in Canada been sold and, if so, by name of each reserve and band so affected, what was the name and address of each purchaser, the purchase price, and the area sold?

Mr. Badanai: Yes. See attached table.

Indian reserve	Band	Name and address of purchaser	Purchase price	Area in acres
Nova Scotia—				
Gold River I.R. No. 21	Resident Indians	Province of Nova Scotia	$18.80	0.47
Millbrook I.R. No. 27	Truro	The Town of Truro, N.S.	Exchange of land	1.05
Ontario				
Georgian Bay Islands, Township of Freeman, Island No. 402½ in Twelve Mile Bay	Beausoleil, Chippewas of Rama, Chippewas of Georgina Island	Ralph Forster, Bramalea, Ont.	$200.00	0.40
Georgian Bay Islands, Township of Conger, Island No. 459	Beausoleil, Chippewas of Rama, Chippewas of Georgina Island	Ralph Forster, Bramalea, Ont.	$125.00	0.22
Georgian Bay Islands, Township of Tay, Unnumbered island opposite Lot 13, Con. 11	Beausoleil, Chippewas of Rama, Chippewas of Georgina Island	Roy W. Binkley, Toronto, Ont.	$100.00	0.07
Whitefish River I.R. No. 4	Whitefish River	Province of Ontario	$5,154.00	62.72
Wildland No. 15M	Rainy River	Murray M. Meyers, Rainy River, Ont.	$725.00	673.46
Lake Huron, Township of Lindsay, Part of Island No. 73 and Island No. 74	Saugeen and Cape Croker	Manley Forbes, Township of Amabel, Ont.	$475.00	28.0
Nipissing I.R. No. 10	Nipissing	Province of Ontario	In exchange for Provincial Crown land	2,783.92
Wiarton Townplot, Township of Amabel	Saugeen and Cape Croker	Earl Doran Dobson and Mary Jean Dobson, Wiarton, Ont.	$175.00	0.3
Islands in St. Lawrence River, Township of Landsdowne, Island No. 52A	Alderville	James B. Dalgleish, Douglas Gordon Cunningham, William J. Bosworth and G. Graham Tomson, Kingston, Ont.	$50.00	0.05
Georgian Bay Islands, Township of Baxter, Island No. 169A	Beausoleil, Chippewas of Rama, Chippewas of Georgina Island	Frank H. Robinson and Sarah A. Robinson, Schomberg, Ont.	$50.00	0.06
Tyendinaga I.R. No. 38	Mohawk of the Bay of Quinte	Province of Ontario	$9,725.00	28.53
Georgian Bay Islands, Township of Gibson, Islands Nos. 191A and 191B	Beausoleil, Chippewas of Rama, Chippewas of Georgina Island	Barbara L. Proctor, Toronto, Ont.	$125.00	0.54
Islands in St. Lawrence River, Township of Lansdowne, Island No. 57A	Alderville	Edwin D. Howell and Kathleen M. Howell, Rome, New York, U.S.A.	$50.00	0.04
Nipissing I.R. No. 10	Nipissing	Province of Ontario	$125.00	0.749
Islands in St. Lawrence River, Township of Landsdowne, Island 69E	Alderville	Norman K. Fredengurgh, Toronto, Ont.	$100.00	Not specified

Indian reserve	Band	Name and address of purchaser	Purchase price	Area in acres
Ontario (continued)				
Island No. 54, Township of Eastnor.	Saugeen and Cape Croker	Ronald Alfred Forbes, Township of Amabel, County of Bruce, Ont.	$ 60.00	0.4
Magnetawan I.R. No. 1	Resident Indians	Province of Ontario	$ 50.00	1.049
Eagle Lake I.R. No. 27	Eagle Lake	Province of Ontario	$ 10.00	6.750
Whitefish River I.R. No. 4	Whitefish River	Province of Ontario	$284.00	3.894
Tyendinaga I.R. No. 38	Mohawks of the Bay of Quinte	The Corporation of the Township of Tyendinaga, Ont.	$525.00	3.75
Saugeen I.R. No. 29	Saugeen	The Corporation of the County of Bruce, Ont.	Exchange of land	4.01
Manitoba				
Salt Channel I.R. No. 21D	The Pas	Province of Manitoba	In exchange for Provincial Crown Land	77.0
Grand Rapids I.R. No. 33	Grand Rapids	Province of Manitoba	$14,840.00	74.2
Gambler I.R. No. 63	Waywayseecappo	Province of Manitoba	Without payment of compensation	640.0
Brokenhead I.R. No. 4	Brokenhead	Province of Manitoba	$5,976.00	119.52
Saskatchewan				
Thunderchild I.R. No. 115	Thunderchild	Eva Marie Prince, Delmas, Saskatchewan	$644.00	68.0
Moosomin I.R. No. 112	Moosomin	Eva Marie Prince, Delmas, Saskatchewan		93.0
Muskowekwan I.R. No. 85	Muskowekwan	The Village of Lestock, Sask	$100.00	5.0
White Bear I.R. No. 70	White Bear	Province of Saskatchewan	$3,603.20	163.4
Standing Buffalo I.R. No. 78	Standing Buffalo	Province of Saskatchewan	Without payment of compensation	31.87
Poundmaker I.R. No. 114	Poundmaker	Province of Saskatchewan	$130.20	30.50
Little Pine and Lucky Man I.R. No. 116	Little Pine and Lucky Man	Province of Saskatchewan	$ 52.80	12.21
Meadow Lake I.R. No. 105	Meadow Lake	Province of Saskatchewan	$422.50	1.69
Muskowekwan I.R. No. 85	Muskowekwan	Province of Saskatchewan	$1,228.86	52.19
Alberta				
Wabamun I.R. No. 133A	Paul	Mrs. Dagmar E. Tyrrell, Duffield, Alberta	$300.00	0.3
Wabamun I.R. No. 133A	Paul	Stanley Edward Thompson Mitchell, Duffield, Alberta.	$500.00	0.5

Wabamun I.R. No. 133A	Paul	Albert James Owen Mitchell, Duffield, Alberta	$200.00	0.2
Wabamun I.R. No. 133A	Paul	Albert Edward Mitchell, Duffield, Alberta	$300.00	0.3
Bushe River I.R. No. 207	Slave	Province of Alberta	$1,874.20	87.45
Stony I.R. No. 142, 143 and 144	Stony	Province of Alberta	$7,118.00	71.13
Wabamun I.R. No. 133A	Paul	A. J. O. Mitchell, Duffield, Alberta	$500.00	0.5
Wabamun I.R. No. 133A	Paul	A. E. Mitchell, Duffield, Alberta	$200.00	0.2
Cold Lake I.R. No. 149	Cold Lake	Province of Alberta	$2,017.50	85.5
Blood I.R. No. 148	Blood	Province of Alberta	$500.00	13.44
Eden Valley I.R. No. 216	Stony	Province of Alberta	$1,069.50	7.13
Stony Plain I.R. No. 135	Enoch	Province of Alberta	$4,868.00	24.34
Alexis I.R. No. 133	Alexis	Province of Alberta	Without payment of compensation	51.68
British Columbia				
Nuuautin I.R. No. 2	Lytton	Province of British Columbia	$533.00	7.593
Burns Lake I.R. No. 18	Burns Lake	Province of British Columbia	$ 78.00	0.39
Inkahtsaph I.R. No. 6	Boothroyd	Canadian National Railway Company, Montreal, Quebec	$150.00	3.74
Hazelton I.R. No. 1	Hazelton	Joseph Stevens, Hazelton, B.C.	$735.00	0.38
Shumarl I.R. No. 4	Gitlakdamix	Province of British Columbia	In exchange for Provincial Crown Land	178.0
Aiyansh I.R. No. 1	Gitlakdamix	Province of British Columbia	In exchange for Provincial Crown Land	275.0
Hazelton I.R. No. 1	Hazelton	Albert William Hetenyi, Hazelton, B.C.	$142.00	1.758
McDonald Lake I.R. No. 1	Atlin-Teslin	Province of British Columbia	In exchange for Provincial Crown Land	39.2
Cowichan I.R. No. 1	Cowichan	Province of British Columbia	$285.00	0.53
Hazelton I.R. No. 1	Hazelton	Mack and Lee Miller, Hazelton, B.C.	$261.00	0.15
Hazelton I.R. No. 1	Hazelton	Charles Richard Snellstrom and LaDoris June Snellstrom, Hazelton, B.C.	$1,100.00	0.81
Hazelton I.R. No. 1	Hazelton	Albert William Hetenyi, Hazelton, B.C.	$1,612.00	1.242
Hazelton I.R. No. 1	Hazelton	Emily Agnes Sargent, Hazelton, B.C.	$844.00	0.494
Louis Creek I.R. No. 4	North Thompson	Province of British Columbia	Without payment of compensation	0.218

Indian reserve	Band	Name and address of purchaser	Purchase price	Area in acres
British Columbia (continued)				
Spuzzum I.R. No. 1A	Spuzzum	Province of British Columbia	$ 10.00	0.269
Hazelton I.R. No. 1	Hazelton	Ardyth Naomi Bennett, Hazelton, B.C.	$504.00	0.33
Inkluckcheen I.R. No. 21	Lytton	Province of British Columbia	$320.75	4.452
Inkluckcheen I.R. No. 21B	Lytton	Province of British Columbia		9.098
Boston Bar I.R. No. 1A	Boston Bar	Province of British Columbia	$3,499.25	16.79
Boston Bar I.R. No. 8	Boston Bar	Province of British Columbia		13.23
Tuckkwiowhum I.R. No. 1	Boston Bar	Province of British Columbia		7.99
Campbell River I.R. No. 11	Campbell River	Province of British Columbia	$7,560.00	8.77
Khyex I.R. No. 8	Port Simpson and Metlakatla	Canadian National Railways, Montreal, P.Q.	$200.00	1.6
Drew Harbour I.R. No. 9	Cape Mudge	Province of British Columbia	$666.00	8.27
Cape Mudge I.R. No. 10	Cape Mudge	Province of British Columbia		6.07
Lytton I.R. No. 26A	Lytton	Canadian National Railway Company, Montreal, P.Q.	$289.90	2.24
Matsqui Main I.R. No. 2	Matsqui	Canadian National Railway Company, Montreal, P.Q.	$715.00	2.83
Skwayaycope I.R. No. 26	Lytton	Canadian National Railway Company, Montreal, P.Q.	$2,671.10	8.67

EXPENDITURES, OPERATING COSTS AND DEPRECIATION, MACKENZIE HIGHWAY

Question No. 463—**Mr. Rheaume:**

1. What were the capital expenditures in connection with the operation and maintenance of the Mackenzie highway system in each fiscal year since 1958-59, under each of the following headings (a) machinery including staff vehicles, parts tools and equipment (b) buildings, including workshops, warehouses, garages?

2. What has been the total annual operating costs of all vehicles, machinery equipment and buildings (other than staff housing) for each year since 1958-59, under the following headings (a) parts and repairs to equipment, vehicle, machinery (b) heat, light, power, water and maintenance to buildings?

3. What is the estimated depreciated value of all buildings materials and equipment now in use on the Mackenzie highway system?

Mr. Laing: 1. (a) August 1, 1961, March 31, 1962, $470,340.31; April 1, 1962, March 31, 1963, $82,400.00; April 1, 1963, March 31, 1964, Nil.

(b) August 1, 1961, March 31, 1962, $154,856.26; April 1, 1962, March 31, 1963, $271,161.00; April 1, 1963, March 31, 1964, Nil.

2. (a) August 1, 1961, March 31, 1962, fuel and lubricants, $17,233.60; repair and labour, $6,293.84.

April 1, 1962, March 31, 1963, fuel and lubricants, $24,801.45; repair and labour, $20,297.72.

April 1, 1963, March 31, 1964, fuel and lubricants, $20,664.24; repair and labour, $23326.93.

(b) August 1, 1961, March 31, 1962, $6,977.88; April 1, 1962, March 31, 1963, $25,121.00; April 1, 1963, March 31, 1964, $29,506.16.

3. $674,152.76.

Note: maintenance and operation of the Mackenzie highway system was not assumed by Department of Northern Affairs and National Resources until 1961. All costs therefore are from that year only.

MACKENZIE HIGHWAY SYSTEM—PERSONNEL EMPLOYED

Question No. 466—**Mr. Rheaume:**

1. How many persons are employed by the federal government in connection with the operation and maintenance of the Mackenzie highway system in each of the following categories (a) classified civil service positions (b) prevailing rate employees (c) casual labourers?

2. What were the annual expenditures for wages including northern allowances in each fiscal year from 1958-59 to the present, for each of the above categories of employee?

3. What were the total expenditures for travel and removal, annual leave, transportation for medical or dental care, for all such employees and their dependants in each fiscal year since 1958-59?

4. What has been the total annual costs for heat, power, water and sewage and other services for all crown dwellings occupied by the above employees for each fiscal year since 1958-59?

5. What has been the capital cost of construction or acquisition of buildings and land for housing Mackenzie highway staff, including costs of furniture and supplies for each fiscal year since 1958-59?

Mr. Laing: 1. (a) Classified positions: Engineer 3, 1, (approximately half time); Tech. officer 4, 1, full time.

(b) Prevailing rate: 19, full time; 4, seasonal.

(c) Casual: Nil.

2. (a) Classified: August 1, 1961, March 31, 1962, $23,611.00; April 1, 1962, March 31, 1963, $25,100.00; April 1, 1963, March 31, 1964, $24,632.00.

(b) Prevailing rate and seasonal: August 1, 1961, March 31, 1962, $84,712.38; April 1, 1962, March 31, 1963, $153,095.65; April 1, 1963, March 31, 1964, $182,783.52.

3. August 1, 1961, March 31, 1962, $1,393.48; April 1, 1962, March 31, 1963, $2,870.91; April 1, 1963, March 31, 1964, $2,608.79.

4. (a) Heat: August 1, 1961, March 31, 1962, $1,644.72; April 1, 1962, March 31, 1963, $3,574.78; April 1, 1963, March 31, 1964, $4,821.74.

(b) Power: August 1, 1961, March 31, 1962, $323.40; April 1, 1962, March 31, 1963, $2,163.63; April 1, 1963, March 31, 1964, $2,185.63.

(c) Sewage and water: August 1, 1961, March 31, 1962, Nil; April 1, 1962, March 31, 1963, $209.60; April 1, 1963, March 31, 1964, $177.48.

(d) Maintenance: August 1, 1961, March 31, 1962, under construction; April 1, 1962, March 31, 1963, $1,137.40; April 1, 1963, March 31, 1964, $1,137.40.

5. All staff housing was completed and furnished during fiscal year 1961-62 at cost of $133,958.68. No furniture has been purchased or replaced since the original purchase.

Note: maintenance and operation of the Mackenzie highway system was not assumed by Department of Northern Affairs and National Resources until 1961. All costs therefore are from that year only.

ORDER OF PRINCE HENRY THE NAVIGATOR

Question No. 490—**Mr. Macquarrie:**

1. What citizens of Canada have been awarded the order of Prince Henry the Navigator by the government of Portugal?

2. What were the dates of such awards?

3. Are Canadian recipients of this order accorded in Canada the designation "sir"?

4. Was approval of the Canadian government obtained prior to the conferring of the awards?

Mr. Lamontagne: In so far as the Department of External Affairs is concerned?

1. Mr. Paul Bouchard, president of the centre Espagnol in Quebec.

2. May 6, 1961.

3. No.

4. No.

Questions

In so far as the Department of National Defence is concerned:

1. Commodore Frank B. Caldwell, R.C.N.; Commander William S. T. McCully, R.C.N. (deceased); Commander Christopher G. Smith, R.C.N.; Commander Harry Shorten, R.C.N.

2. August 8, 1960.

3. No.

4. No. The awards were made by the Portuguese minister of foreign affairs and the Portuguese minister of the navy without prior warning to the officers concerned on the occasion of the visit of the fifth Canadian escort squadron to Lisbon to participate in the fifth centenary celebrations of the death of Prince Henry the navigator. Similar awards were given to the commanding officers of all the other navies, including the Royal Navy and the United States navy, taking part in the celebrations.

* SASKATCHEWAN RIVER DAM CONTRACT

Question No. 513—**Mr. Cooper:**

In connection with the last signed contract for the Saskatchewan river dam (a) what was the amount of the contract (b) who signed the contract on behalf of the government (c) on what date was the contract signed?

Mr. Beer: (a) As of March 20, 1964, the last signed contract for the Saskatchewan river dam was for the supply of fly-ash material from the Saskatchewan Power Corporation in the amount of $204,315; (b) S. C. Barry, deputy minister of agriculture; (c) February 18, 1964.

RENOVATION OF AGENT'S OFFICE, SAUGEEN INDIAN RESERVE

Question No. 533—**Mr. Loney:**

1. What additions and renovations are being made to the agent's office at Saugeen Indian reserve No. 29?
2. What is the name of the contractor for this project?
3. Was the contract let by public tender?
4. What was the price quotation submitted by the successful bidder?
5. At what date was the contract let and when did the project commence?
6. What is the name of the inspector and what are his qualifications?

Mr. Badanai: 1. Construction of an addition to the existing office to provide additional working space.

2, 3, 4, 5. The work was performed on a day labour basis. However, orders were placed in accordance with the government contracts regulations with a number of firms for special items such as heating, plumbing and electrical work. The total cost of the project was $7,712.48 and the work commenced on December 6, 1963.

6. The project was under the supervision of Mr. F. C. O'Keefe, regional construction supervisor, southern Ontario region, Indian affairs branch. Mr. O'Keefe is well qualified for the position having some 20 years of experience in the construction field in a supervisory capacity.

ADVISORY COMMITTEE, P.F.R.A. AND ARDA

Question No. 543—**Mr. Stefanson:**

Has an advisory council or committee, to assist P.F.R.A. and ARDA, been established and, if so (a) when was it set up (b) who are members of this committee (c) when and where were meetings held (d) are any meetings planned for 1964, and if so, where and when will they take place?

Mr. Lamontagne: In so far as the question relates to the Department of Agriculture:

1. (a) Under provisions of the Prairie Farm Rehabilitation Act a P.F.R.A. advisory committee was established in 1935. This committee became increasingly inactive during the mid-1950's, but was re-established as the P.F.R.A. rehabilitation committee in October 1962.

(b) Mr. Norman Roebuck, 63 Haultain, Yorkton, Saskatchewan; Mr. Roy Clark, 117-20th Street, Brandon, Manitoba; Mr. Fred Croy, Stonewall, Manitoba; Mr. Harry Shearer, Elm Creek, Manitoba; Mr. James Cameron, Youngstown, Alberta; Mr. Arnold F. Christie, Grande Prairie, Alberta; Mr. Deane Holroyd (deceased), 1737-15th Avenue South, Lethbridge, Alberta; Mr. Boyd Anderson, Fir Mountain, Saskatchewan; Mr. W. H. Hollier, 1618-100th Street, North Battleford, Saskatchewan; Mr. Ed. Wright, Eastend, Saskatchewan; Mr. H. J. Collison, Star City, Saskatchewan.

(c) Meetings of the committee were held in Regina on December 6 and 7, 1962.

(d) At the present time there are no definite plans for the holding of a meeting during 1964.

In so far as the question relates to the Department of Forestry: no.

IMPORTATION OF BATHROOM FIXTURES, TORONTO

Question No. 555—**Mr. Howard:**

Does the government or any agency or branch thereof have any knowledge that American Standard Products (Canada) Ltd. of Toronto is importing bathroom fixtures into Canada for the purpose of having them given the Canadian standards association (CSA) stamp of approval so they may be used to circumvent the effect of a strike at its Lansdowne plant by the international brotherhood of potters and, if so, what action does the government contemplate taking to prevent this?

Answer: The Canadian Standards Association (CSA) stamp of approval is indicative only of conformity with a set of voluntary standards established by the particular industry itself. The government of Canada does not enforce the provisions of the code with respect to the entrance of imported goods. The code becomes mandatory only by action by provincial or municipal authorities.

The government of Canada has no knowledge of the purposes of the importations in the instance cited.

POST OFFICE CONSTRUCTION, P.E.I.

Question No. 585—**Mr. Macquarrie:**

1. What are the reasons for delay in the construction of post offices at Mount Stewart and North Rustico in P.E.I.?
2. When is it now planned to commence construction?
3. Has land for such buildings been obtained and, if so, from whom and at what price?

Mr. Deschatelets: 1. Site problems and cost and staff limitations prevented undertaking the construction this year at many locations including Mount Stewart and North Rustico.

2. Decision as to future programs has not been made.

3. No.

*ARMS AND AMMUNITION REMOVED FROM HIGH SCHOOLS, BRUCE COUNTY, ONT.

Question No. 587—**Mr. Loney:**

1. Were orders issued by the Department of National Defence to remove the small arms and ammunition of the cadet corps from the high schools in the county of Bruce and, if so, from which schools were the small arms and ammunition removed?
2. When were the orders carried out at each school?
3. Who was in charge of the removal operations and when will the small arms and ammunition be returned to each school?

Mr. Cardin: 1. Small arms ammunition was withdrawn from the following cadet corps in the county of Bruce: 246 Kincardine district high school; 411 Walkerton district high school; 730 Lucknow district high school; 2391 Hanover high school.

2. 26 February 1964.

3. The area cadet training officer. Some small arms ammunition has been returned to the corps at Walkerton and Lucknow. The ranges at the Hanover corps are undergoing repairs therefore no supplies have been reissued. The corps at Kincardine has been inactive since 31 December 1963 and no reissues have been made there. Additional supplies are issued on a demand basis with one month's supply only being held in stock.

RESEARCH PROGRAM, URANIUM CITY

Question No. 598—**Mr. Cadieu (Meadow Lake):**

Does the international atomic energy agency, to which Canada annually contributes, plan a technological and research development program at Uranium City?

Mr. Martin (Essex East): We have been informed that the international atomic energy agency is not planning a technological and research development program at Uranium City.

"HANSARD" PUBLISHING COST, MARCH 27, 1964

Question No. 602—**Mr. Caouette:**

What was the cost of publishing *Hansard* for Good Friday, March 27, 1964?

[*Translation*]

Answer: It cost the public printing bureau $4,258.55 to publish in English and in French all parliamentary papers such as the *House of Commons Debates, Votes and Proceedings, Routine Proceedings and Orders of the Day, Debates of the Senate* and *Minutes of the Proceedings of the Senate.*

The public printing bureau called in the required staff to publish the parliamentary papers. Those employees put in a full day's work in their respective occupations and they did supplementary work which cost $4,988.36. That expense was charged to other government departments.

[*Text*]

ROADS TO RESOURCES, GUYSBOROUGH COUNTY, N.S.

Question No. 607—**Mr. Armstrong:**

1. What work was done in 1963-64 in Guysborough county, Nova Scotia, under the roads to resources program?
2. What was the cost to the government of Canada of this work?
3. What work remains to be completed in the county under any prevailing contract?

Mr. Laing: 1. Four miles of grading and ten miles of paving was completed.

2. $76,757.62.

3. Forty six miles of road to be paved.

LAKE ONTARIO WATER LEVELS

Question No. 623—**Mr. Matheson:**

1. What was the water level in lake Ontario in March 1959, 1960, 1961, 1962, 1963, and 1964?
2. What have been the causes of the present low water level of lake Ontario?
3. Has lake Ontario reached its lowest water level for 1964?
4. To what extent is lake Ontario expected to rise this year?

Mr. Laing: 1. The March monthly mean water elevations of lake Ontario at Kingston referred to the international great lakes datum (1955) are as follows for the years indicated:

Year	Water Elevation (Ft. above sea level)
1959	243.81
1960	244.10
1961	243.61
1962	243.26
1963	243.26
1964	242.33

2. The low levels of lake Ontario have been caused primarily by abnormally low precipitation. During 1962, precipitation over the great lakes basin was about three inches below normal while in 1963 it was over five inches below normal. This abnormally low

precipitation was accompanied by increased rates of evaporation due to higher than normal temperatures, thus further aggravating the low level condition.

3. Yes. On March 1, 1964 the water elevation at Kingston was 242.01 feet above mean sea level. On April 1, 1964 the water elevation had increased to 242.58 feet above mean sea level.

4. Based on the March level of the great lakes above lake Ontario and assuming average run-off in the basin of the latter, it is forecast that lake Ontario will achieve a maximum water elevation of approximately 244.50 feet above mean sea level in July 1964.

WINTER WORKS PROJECTS, CHAPLEAU COUNTY, QUE.

Question No. 631—**Mr. Laprise:**

1. How many requests were made, in 1963-64, under the terms of the winter works program by Chapleau county municipalities?
2. How many of these requests were accepted, and what was the amount approved in each case?

Mr. MacEachen: 1. Thirty three applications were received from municipalities in the county of Chapleau under the municipal winter works incentive program 1963-64.

2. Thirty three applications were accepted. The municipalities participating and the estimated federal government share of payroll costs are as follows:

Municipality	No. of projects	Estimated federal share
Amos (town)	1	$ 53,880
Amos Ouest	1	12,000
Barraute (village)	1	3,600
Barville (village)	1	33,000
Belcourt	2	9,600
Chibougamau (town)	2	29,916
Clerval (parish)	1	15,000
Fiedmont and Barraute	1	9,000
Ile Nepawa	2	6,000
Lac Castagnier	1	2,100
La Reine (parish)	2	12,000
La Sarre (parish)	1	36,000
La Sarre (town)	1	13,800
Launay (township)	1	24,000
Macamic (town)	1	9,000
Normetal	3	3,649
Palmarolle (parish)	1	3,000
Poularies (parish)	2	28,800
Roquemaure (parish)	1	21,000
Senneterre (parish)	2	41,760
Taschereau (parish)	1	12,000
Trecesson (township)	1	12,000
Ste Gertrude-de-Villeneuve (parish)	2	6,000
Champneuf	1	3,000
Totals	33	$400,105

[Mr. Laing.]

BUTTER OIL SALES

Question No. 639—**Mr. Rondeau:**

1. To whom has butter oil been sold since 1954?
2. What was the cost price per pound?
3. Has any butter been thrown away, destroyed or rejected in the province of Quebec and the county of Shefford since 1954 and, if so (a) what quantities were involved (b) to whom was the rejected oil sold (c) at what price was it sold?

Mr. Hays: 1. There were no butter oil sales prior to August 1960. From that date to March 31, 1964, butter oil has been sold to the following firms:

Co-operative Agricole de Granby, Granby, P.Q.; Central Creameries, Charlottetown, P.E.I.; Kraft Foods Limited, Town of Mount Royal, P.Q.; Palm Dairies Limited, Edmonton, Alberta; Fraser Valley Milk, Vancouver, B.C.; Shefford Dairy, Lawrenceville, P.Q.; Olive & Dorion Limited, Montreal, P.Q.; Milk Products Limited, Montreal, P.Q.; Dominion Dry Milk, Montreal, P.Q.; R. A. Chisholm Limited, Toronto, Ontario; United Dairy & Poultry, Toronto, Ontario; Birks-Crawford Limited, Vancouver, B.C.; Geo. Hodge & Son Limited, Montreal, P.Q.; Black Diamond Cheese Co., Belleville, Ontario; L. Shapiro, Toronto, Ontario; Lovell & Christmas, Montreal, P.Q.; Weddell Limited, Montreal, P.Q.; Legrade Inc., Montreal, P.Q.; Canada Cold Storage, Montreal, P.Q.; Swift Canadian Company, Toronto, Ontario; Beaver Trading Company, Montreal, P.Q.; Balfour Guthrie, Toronto, Ontario; Eastern Townships Produce, Sherbrooke, P.Q.; Canada Packers Limited, Toronto, Ontario; World Food Program, Rome, Italy; Grace, Kennedy & Company, Montreal, P.Q.

2. The sale price per pound basis Montreal has been: export, 27 cents; domestic up to May 1, 1963, 78½ cents; domestic since May 1, 1963, 65 cents.

3. As of April 1, 1964, there has been no loss of butter or butter oil in the county of Shefford.

3. (a) In the province of Quebec 6,578,942 pounds of butter and butter oil were involved in a fire at St. Denis Sur Richelieu during 1963. (b) Salvageable butter and butter oil were sold to Shefford Dairy, Lawrenceville, and Longueuil Meat Exporting Company, Longueuil. (c) The sale price for salvaged butter was $17 per box. The sale price for inedible butter oil varied between ½ cent and 5½ cents per pound.

In addition to the loss at St. Denis the board lost, through a fire at Montreal in 1960, 6,608 pounds with no salvage value. An additional 8,064 pounds were salvaged and sold at 44¾ cents to Henri Laurier & Fils of Montreal.

NATIONAL DEFENCE DISMISSALS BECAUSE OF AGE

Question No. 640—**Mr. Churchill:**

Are civilian employees of the Department of National Defence dismissed from employment on the grounds of age before reaching 65 years?

Mr. Cardin: The normal retiring age for civilian employees of the Department of National Defence is 65. There is provision in the Public Service Superannuation Act and regulations whereby a deputy head, with the concurrence of the civil service commission, may at any time, for reason only of age, terminate the employment of a contributor who has attained 60 years of age. It is the policy of the Department of National Defence to retire persons between age 60 and 65 years, by reason of age, only in unusual cases where continued employment involves a serious problem.

NATIONAL DEFENCE HEADQUARTERS, OTTAWA

Question No. 643—**Mr. Mather:**

1. Are plans for the construction, on the Lebreton flats property in Ottawa, of a national defence department headquarters being prepared by private development interests and, if so, are these plans being prepared on instructions of the government?

2. Have other competent developers been asked to submit proposals for the use of this property as a national defence headquarters and, if not, for what reason?

Mr. Cardin: 1. and 2. No.

FREE TRADE BETWEEN CANADA AND BRITISH CARIBBEAN COUNTRIES

Question No. 644—**Mr. Matheson:**

1. Has the government considered the advisability of joint studies with British Caribbean governments respecting the mutual advantages to be gained by the establishment of a free trade area between Canada and the British Caribbean?

2. Does the government plan to initiate discussions on this matter with the prime minister of Trinidad and Tobago during his visit to Canada?

Answer: 1. There has been no recent initiative for a joint study of a possible free trade area between Canada and the British Caribbean. This question, as the hon. member will be aware, has come up from time to time and we, of course, are constantly reviewing various ways of expanding the present close relations between Canada and the West Indies. With the dissolution of the federation an added complexity arises, since we continue to need to deal individually with members of the British Caribbean, some of whom have recently reached full independence.

2. The visit to Ottawa of Dr. Eric Williams, the prime minister of Trinidad and Tobago, has been arranged for a general review of the relations between our two countries and our mutual concern in world trading developments. Dr. Williams comes here after an extensive tour of the African continent and we will be interested to gain his impression of these areas. It is certainly my intention to meet with the prime minister of Trinidad and Tobago, if this is possible, and to have a general discussion on trade.

POST OFFICE SITES, NOVA SCOTIA

Question No. 646—**Mr. Coates:**

1. What are the names of the individuals contacted at Advocate Harbour, Collingwood, Southampton, and Wallace, by officials of the Department of Public Works, or their agents, regarding the securing of sites for proposed post offices for these areas?

2. What were the offers made to the individuals in question for the proposed sites?

Mr. Deschatelets: 1. Advocate Harbour, no site was investigated. Collingwood, a site owned by Mr. E. Colburne and another site owned by Mrs. Hodgson were investigated. Neither site was suitable for our purposes. Southampton, Mr. Arnold Goodwin was contacted. No suitable site was found. Wallace, a suitable site owned by Mr. William C. Reid was investigated at this location.

2. Wallace, the department accepted Mr. William C. Reid's offer to sell for $1,000 and this is now in the process of acquisition.

M.M.R.A. MOTOR VEHICLE PURCHASES, CUMBERLAND, N.S.

Question No. 649—**Mr. Coates:**

How many motor vehicles were purchased by the M.M.R.A. in Cumberland from April 1, 1963 to March 31, 1964 and (a) from what firm, or firms, were these vehicles purchased (b) what was the amount of the lowest bid (c) was it submitted by the successful tenderer and (d) what other firms were invited to tender in each instance?

Answer: Four.

(a) 1. D. A. Casey Ltd., Amherst, N.S.; 2. Cameron & Wilson Ltd., Amherst, N.S.; 3. Cameron & Wilson Ltd., Amherst, N.S.; 4. Rivers & Dickinson Ltd., Amherst, N.S.

(b) 1. $1,998.70; 2. $2,250; 3. $2,250; 4. $1,997.

(c) Yes.

(d) 1. Cameron & Wilson Ltd., Amherst, N.S.; Tantramar Motors Ltd., Amherst, N.S.; Cumberland Equipment Co., Amherst, N.S.; Rivers & Dickinson Ltd., Amherst, N.S.; Claude W. Carter Ltd., Springfield, N.S.

2. Cumberland Equipment Co., Amherst, N.S.; Tantramar Motors Ltd., Amherst, N.S.; Rivers & Dickinson Ltd., Amherst, N.S.

3. Cumberland Equipment Co., Amherst, N.S.; Tantramar Motors Ltd., Amherst, N.S.; Rivers & Dickinson Ltd., Amherst, N.S.

4. Cumberland Equipment Co., Amherst, N.S.; G.M. Harrison Ltd., Amherst, N.S.

*FARM LOANS IN QUEBEC COUNTIES

Question No. 650—**Mr. Pigeon:**

For the fiscal years 1962 to 1964 inclusive, what was the total number of loans made by the Farm

Questions

Credit Corporation to the provincial counties of (a) Joliette, (b) L'Assomption, (c) Montcalm, (d) Chicoutimi?

Mr. Beer: The Farm Credit Corporation reports that the number of loans approved for the following municipal counties is as follows:

	1962-63	1963-64
(a) Joliette	13	17
(b) L'Assomption	3	5
(c) Montcalm	1	2
(d) Chicoutimi	16	18

*NATIONAL FLAG—REQUESTS FOR RETENTION OF RED ENSIGN

Question No. 667—**Mr. Coates:**

What is the total number of signatures affixed to letters and petitions received since September 5, 1945 by the Secretary of State's office urging the retention of the red ensign as Canada's national flag?

Mr. Stewart: 98,798 signatures.

GROSS NATIONAL PRODUCT

Question No. 669—**Mr. Marcoux:**

1. What was the gross national product for the years 1925, 1935, 1945, 1955 and 1963?
2. For each of those years, what was the net amount of dividends paid to foreign shareholders?

[*Translation*]

Answer: 1 and 2.

	Gross national product	Dividends*
	(in millions of dollars)	
1925	(1)	(1)
1926	5,152	95
1935	4,315	115
1945	11,835	120
1955	27,132	356
1962	40,401	496
1963	(2)	525

(1) Figures previous to 1926 not available.

(2) Figures for 1963 available about April 17, 1964.

*Net dividends are the dividends paid to foreign shareholders after deducting tax deducted at the source.

[*Text*]

METHOD OF ESTIMATING UNEMPLOYED

Question No. 679—**Mr. Horner (Jasper-Edson):**

Have any changes been made in recent months in the method or manner of estimating the number of unemployed in Canada and, if so, what are they?

Answer: No changes have been made in recent months in the basic method of estimating the number of unemployed in Canada. However, a revised sample, of improved design, using the latest information on population distributions, is in course of preparation for use in the labour force survey. It will be introduced progressively, province by province, as the revised sample for each province is completed. The revised sample will not involve any change in the wording of the questionnaire used or in the enumeration procedures followed. A revised sample for Alberta was completed last November and field trials have been carried out since that time. This revised Alberta sample was brought into use for the March 1964 survey.

*SPACE RENTED IN TERON BUILDING, OTTAWA

Question No. 683—**Mr. Marcoux:**

1. Is office space rented by the government or by a crown corporation in the Teron building, corner of Elgin and Nepean streets, Ottawa and, if so, what is the total area of the building in question?
2. What is the total area rented by the government or crown corporation?
3. What is the yearly rental?
4. What is the term of the lease?
5. Who is the owner?
6. If the owner is a corporation, what are the names and addresses of the directors?

[*Translation*]

Mr. Deschatelets: 1. Yes, the building has a total floor area of 30,054 square feet. (Note: Known as the Humson building, it is situated at 180 Elgin st., in Ottawa, and was built by Teron Construction).

2. The net total area rented is 16,521 square feet.

3. The rent is $57,823.50 per year.

4. From March 1964 to January 31, 1969 with an option to renew for a further period of two years.

5. Mr. Thomas L. Hum.

6. Not applicable.

[*Text*]

QUESTIONS PASSED AS ORDERS FOR RETURNS

PUBLIC RELATIONS DIVISION, PUBLIC SERVICE

Question No. 98—**Mr. Smith:**

1. Broken down into departments of government, what is the total number of persons employed in information or public relations divisions of the public service of Canada?
2. What is the total salaries paid to such persons in each of the departments?
3. Broken down into departments of government, what is the total expenditure of such divisions in advertising, films, and in other forms of paid publicity?

Return tabled.

THEFTS OF MILITARY EQUIPMENT FROM NATIONAL DEFENCE PROPERTIES

Question No. 191—**Mr. Churchill:**

What items and quantities of military equipment, exclusive of arms and ammunition, have been stolen

from national defence properties since September 1, 1963; and on what dates and from what properties?

Return tabled.

*FEDERAL EXPENDITURES ON DENTISTRY AND DENTAL RESEARCH

Question No. 317—**Mr. Slogan:**

1. What departments of the federal government spend money on dentistry or dental research?
2. Who is responsible for the making of policy regarding dentistry in each of these departments?
3. Does the head of the dental division of the Department of National Health and Welfare coordinate all the dental programs in that department?
4. Who is the representative of the dental division in the policy making body of the Department of National Health and Welfare?

Return tabled.

MOTIONS FOR PAPERS

COLLECTIVE BARGAINING FOR PUBLIC SERVANTS

Motion No. 21—**Mr. Smallwood:**

That an order of the house do issue for a copy of all letters, memoranda or other documents forwarded since April 22, 1963, by any member of parliament representing an electoral district in the national capital region, to the Prime Minister, the Minister of Finance, the Secretary of State or any official of these departments or to the civil service commission on the subject of collective bargaining for public servants.

Mr. Stefanson: I move this resolution for the hon. member for Battle River-Camrose (Mr. Smallwood), who is in hospital and unable to be here.

Mr. Pickersgill: I indicated before in the house that I wish to speak to the hon. member who is moving this motion, and in his absence I hope that both this motion and the next one will be allowed to stand.

Motion stands.

CORRESPONDENCE BETWEEN LUC-GILBERT LESSARD AND SOLICITOR GENERAL

Motion No. 36—**Mr. Langlois:**

That an order of the house do issue for a copy of all correspondence, letters, telegrams or other documents exchanged between Maître Luc-Gilbert Lessard, of Blake lake, Megantic county, and the Solicitor General, since March 1, 1963.

He said: I ask that this motion, also No. 37, be allowed to stand until I have seen the minister.

Motion stands.

DISPOSITION OF INDIAN RESERVE LANDS, BURNS LAKE, B.C.

Motion No. 60—**Mr. Howard:**

That an order of the house do issue for a copy of all applications for, and inquiries relating to, the purchase, lease or rental of Indian reserve lands in the Burns lake Indian agency since January 1, 1963.

Mr. Badanai: We have no objection to this motion.

Motion agreed to.

N.H.A. LOANS—KITIMAT, B.C.

Motion No. 66—**Mr. Howard:**

That an order of the house do issue for a copy of all correspondence, telegrams and other documents exchanged between Central Mortgage and Housing Corporation or any branch office thereof and the Aluminum Company of Canada, or any other person since January 1, 1958 relating to the question of loans under the National Housing Act in the community of Kitimat, B.C.

He said: May I have permission to withdraw this motion, Mr. Speaker?

Some hon. Members: Agreed.

Order discharged and motion withdrawn.

REPRESENTATIVE LISTS OF SUPPLIERS

Motion No. 78—**Mr. Nielsen:**

That an order of the house do issue for a copy of the representative list and/or representative lists of suppliers (now in use) as defined by paragraph 2 (e) (ii) of the government contracts regulations being P.C. 1954-1971 dated December 16, 1954 from each department of the goverment.

Mr. McIlraith: May I ask that motions Nos. 78, 79, 80, 81 and 84 be allowed to stand.

Mr. Nielsen: In so far as these motions are in my name, Mr. Speaker, I am agreeable. There are two other hon. members involved.

Motions stand.

R.C.M.P. SPACE IN MUNICIPAL BUILDING

Motion No. 86—**Mr. Howard:**

That an order of the house do issue for a copy of all observations and reports concerning space or the location thereof for the R.C.M. Police as referred to in the answer given to question No. 300 of the present session of parliament.

Motion agreed to.

RESERVE LANDS, BURNS LAKE INDIAN AGENCY

Motion No. 90—**Mr. Howard:**

That an order of the house do issue for a copy of all correspondence, telegrams and other documents exchanged between the government or any agency or branch thereof and any other person, group or organization relating to Indian reserve lands in the Burns lake Indian agency since January 1, 1963.

Motion agreed to.

CORRESPONDENCE BETWEEN ALBERT GARANT, ROBERVAL, QUE. AND PUBLIC WORKS DEPARTMENT

Motion No. 93—**Mr. Gauthier:**

That an order of the house do issue for copies of all correspondence, letters, telegrams and documents exchanged between Mr. Albert Garant of Roberval, Roberval county, and the Minister of

Public Works, the deputy minister, or other employees of that department, since March 1, 1963.

Motion agreed to.

CORRESPONDENCE BETWEEN ALBERT GARANT, ROBERVAL, QUE., AND POST OFFICE DEPARTMENT

Motion No. 94—**Mr. Gauthier:**

That an order of the house do issue for copies of all correspondence, letters, telegrams and documents exchanged between Mr. Albert Garant of Roberval, Roberval county, and the Postmaster General, the deputy postmaster general, or other employees of that department, since March 1, 1963.

Mr. Nicholson: Mr. Speaker, on December 9 of last year, pursuant to a notice of motion, the correspondence requested was produced for the period April 8, 1963 to October 23, 1963. If the hon. member will limit his request to the period from October 23, 1963 up to the date of his present motion, it will be accepted.

Mr. Speaker: Is the motion acceptable subject to the reservation of the minister?

Mr. Gauthier: Yes.

Motion agreed to.

CORRESPONDENCE BETWEEN LUDGER BOUCHARD, CHAMBORD, QUE., AND POST OFFICE DEPARTMENT

Motion No. 95—**Mr. Gauthier:**

That an order of the house do issue for copies of all correspondence, letters, telegrams and documents, concerning the Chambord post office, exchanged between Mr. Ludger Bouchard of Chambord, Roberval county, and the Postmaster General, the deputy postmaster general, or other employees of that department, since March 1, 1963.

Motion agreed to.

CORRESPONDENCE BETWEEN LUDGER BOUCHARD, CHAMBORD, QUE., AND PUBLIC WORKS DEPARTMENT

Motion No. 96—**Mr. Gauthier:**

That an order of the house do issue for copies of all correspondence, letters, telegrams and documents, concerning the Chambord post office, exchanged between Mr. Ludger Bouchard of Chambord, Roberval county, and the Minister of Public Works, the deputy minister, or other employees of that department, since March 1, 1963.

Motion agreed to.

CORRESPONDENCE WITH U.S. ON EATON-KAYE CASE

Motion No. 98—**Mr. Fisher:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house a copy of all correspondence exchanged between the Department of National Revenue and the American authorities under the tax agreement between Canada and the United States with regard to the Eaton-Kaye case and any opinions which may have been obtained from the American authorities on the position of the securities and investment involved in the estate of the late Mrs. Eaton-Kaye since January 1, 1961.

Mr. McIlraith: Mr. Speaker, it will be seen that this notice of motion for the production of papers relates to one estate tax return, and the department is therefore prohibited from giving the information by virtue of section 55 of the Succession Duty Act.

Mr. Fisher: I would like to have it transferred for debate, Mr. Speaker.

Mr. Speaker: Transferred for debate.

TERRITORIAL PARTICIPATION IN DOMINION-ONT.

Motion No. 99—**Mr. Martineau:**

That an order of the house do issue for a copy of all correspondence including letters and other documents exchanged, on the one hand, between the government, the Minister of Justice or other governmental agencies and, on the other hand, any person or association with regard to the construction of the penal institution for women planned by the government at Cornwall.

[*Translation*]

Mr. Favreau: I understand there is no objection to have this motion stand for another week.

Motion stands.

[*Text*]

TERRITORIAL PARTICIPATION IN DOMINION-PROVINCIAL CONFERENCES

Motion No. 100—**Mr. Nielsen:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house a copy of all replies by the premiers of the provinces to the letter of the Prime Minister directed to the premiers respecting the participation by the governments of the Yukon and Northwest Territories in future federal provincial conferences.

Mr. Pearson: Mr. Speaker, this motion is acceptable subject to the consent of the premiers of the provinces concerned.

Mr. Speaker: Subject to the reservation expressed by the Prime Minister, is it the pleasure of the house to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

SHIPPING

NEGOTIATIONS WITH U.S. RESPECTING GREAT LAKES WATER LEVELS

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, the question I wish to ask has to do with the critical situation with regard to the water levels on the

great lakes, a matter that greatly affects potential shipping this year, as well as carrying with it detrimental effects in various fields of endeavour.

I would like to ask the Prime Minister whether, in view of the fact that the situation is most serious—for example, the lake Huron water level being at its lowest since records were first kept in 1860—any negotiations are being undertaken at present with the United States with respect to the Chicago conduit which draws off 3,000 cubic feet per second of drainage from the great lakes, and whether there is any co-operative plan now being considered by the governments of Canada and the United States with regard to this very important matter that will effect the economies of our two countries.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I share the right hon. gentleman's appreciation of the seriousness of this situation that seems to be cyclical on the great lakes, but which is certainly very serious at the present time. I am not aware at the moment of conversations which may or may not be going on with the United States concerning this matter, but I will be glad to look into it and make a report to the house at the earliest possible date.

ARTS, LETTERS AND SCIENCES

SUBMISSIONS TO ROYAL COMMISSION BY MEMBERS OF PUBLIC SERVICE AND ARMED FORCES

On the orders of the day:

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, may I direct a question to the Prime Minister?

Could the Prime Minister assure the house that federal civil servants can, without danger of retaliation, submit briefs or reports to the Laurendeau-Dunton commission?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): I will have to look into this situation and give the hon. member a reply tomorrow or the next day.

[*Translation*]

Mr. Gregoire: Mr. Speaker, may I put a supplementary question? Could the Prime Minister consider at the same time the reports submitted personally by members of the Canadian armed forces?

[*Text*]

Mr. Pearson: I will be glad to inquire into that also.

Inquiries of the Ministry

LABOUR RELATIONS

MARITIME UNIONS—INQUIRIES RESPECTING ADMINISTRATION BY TRUSTEES

On the orders of the day:

Hon. Michael Starr (Ontario): I should like to ask the Minister of Labour whether he has received any protests from the Canadian Labour Congress regarding the ascension to the S.I.U. presidency of Mr. McLaughlin.

Hon. A. J. MacEachen (Minister of Labour): No, Mr. Speaker.

May I take this opportunity to answer a question asked the other day by the hon. member for Ontario regarding the operation of seamen's hiring halls, in which the hon. member inquired whether employers have the privilege of rejecting an employee referred to them from the halls. I am advised by the board of trustees that the answer is yes.

I undertook to inquire further from the board of trustees regarding certain questions raised by the Leader of the Opposition and by the hon. member for Winnipeg North. First, with respect to the d.n.s. list of seamen, I have again been informed by the chairman of the board of trustees, Mr. Justice Dryer, that no list exists either in the form of a "do not ship" list or of a "registry of charges" list. Furthermore, the trustees have informed me that they have had a complete check made in all S.I.U. port offices from Halifax to Vancouver, including the fourth floor of the S.I.U. building in Montreal, and are fully satisfied that no such lists exist in any of these offices.

As I mentioned on Thursday last and again on Monday, the trustees are prepared to have the claim of any seaman whose name appeared at any time on lists that were in existence in earlier years investigated, and are presently endeavouring to have the facilities of the appeals board extended to adjudicate such claims. Commander Robertson, who presently constitutes the maritime appeals board, has limited powers covering cases extending back to a period of not more than three years. These powers are being exercised and the trustees are taking steps to have them extended, as I have indicated.

Another matter raised yesterday concerns S.I.U. fees and dues. As I indicated, provisions are set out in the constitution covering these matters. Probationary members are required to pay a probationary fee of $240 including six months' regular dues at the rate of not more than $40 per month for the six months. The constitution further provides that the payment of dues and initiation fees may be waived or reduced for organization purposes in accordance with such rules as

are adopted by a majority vote of the executive board. Applicants for full membership are required to pay an initiation fee of $100 after the probationary period. This amount may be changed only by a majority vote of the membership. The monthly dues of $4 may be changed only by a majority vote of the membership.

I might add that I am assured by the trustee in charge of S.I.U. administration that reform of union financing is now under active consideration.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Has the minister not received communications recently with regard to this list? Has he not, within the last two or three days, received a letter from Toronto in this connection? Will he look this up and see whether it is so? Second, will he tell us the name of the trustee in question who is in charge of S.I.U. operations?

Mr. MacEachen: I will be glad to check into the matter of the letter. The trustee in charge of S.I.U. administration is Mr. Charles Millard, a member of the board.

Mr. David Orlikow (Winnipeg North): I should like to ask the Minister of Labour if he is taking steps to ask the trustees whether they will inquire into the statement made by my hon. friend from Port Arthur last night to the effect that if they would look in a particular place on the fourth floor of the S.I.U. building in Montreal they would find the famous list which is now said to be non-existent; at least it was there yesterday evening if steps were not taken to remove it.

I should also like the minister to find out from the trustees if Mr. John Wood and Mr. Michael Sheehan, who were members of the S.I.U., have applied for reinstatement. If they have—

Mr. Speaker: Order, please. The question is already quite long. I suggest that if the hon. member wants all this detailed information he should put the question on the order paper.

EXTERNAL AFFAIRS

INQUIRY AS TO NEW DEPARTMENTAL BUILDING

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, my question is to the minister of external affairs. In view of the opening this morning of the new and most impressive British high commission building which is located around the corner on Elgin street, on a most valuable and convenient piece of real estate, does the minister have any plans for his most important Department of External Affairs building or for new housing facilities in an equally valuable and convenient location? I am particularly concerned that as Canada reaches toward final autonomy—

Mr. Speaker: Order. The question is of great interest to all hon. members, I am sure, particularly if there is an opportunity of getting the east block; but would the hon. member put his question on the order paper.

DOMINION-PROVINCIAL RELATIONS

QUEBEC—DISCUSSIONS WITH FEDERAL GOVERNMENT

On the orders of the day:

[*Translation*]

Hon. Paul Martineau (Pontiac-Temiscamingue): Mr. Speaker, I should like to direct a question to the Prime Minister.

Is it true that secret negotiations are going on at the present time between the Quebec provincial government and the federal government?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, negotiations are always taking place between the government of Quebec and the government of Canada on a variety of subjects.

[*Translation*]

Mr. Martineau: Mr. Speaker, I should like to ask a supplementary question. Has Mr. Lesage informed the right hon. Prime Minister or the Canadian government that he might impose double taxation in that province?

[*Text*]

Mr. Pearson: No, Mr. Speaker.

[*Translation*]

Hon. Theogene Ricard (St. Hyacinthe-Bagot): Mr. Speaker, I wish to ask the Prime Minister a supplementary question. Can he tell the house if he would let the Quebec government's actuaries meet with the officials of the federal government to discuss both the provincial and federal pension plans?

[*Text*]

Mr. Pearson: Mr. Speaker, this seems to me to be a very good suggestion. As a matter of fact the experts have been looking at the plans of both governments.

[*Later:*]

Mr. Eric A. Winkler (Grey-Bruce): Mr. Speaker, I have a question for the Prime Minister. Following press reports from the province of Quebec today, will the Prime Minister say whether he has offered a package deal on cost sharing programs to the premier of that province?

Mr. Pearson: Mr. Speaker, as my hon. friend knows we are having discussions with the government of Quebec and with other provinces on pension plans and related matters. I hope to be able to make a full statement on this matter in a day or two, but pending the completion of these discussions it is very difficult for me to say anything in the house.

LABOUR CONDITIONS

AMHERST, N.S.—REQUEST FOR WORK ORDERS TO PREVENT LAY-OFFS

On the orders of the day:

Mr. Robert C. Coates (Cumberland): Mr. Speaker, I have a question for the Minister of Industry. Will the Minister of Industry give serious consideration to increasing the volume of overhaul and repair work to the Enamel and Heating Company of Amherst, Nova Scotia, in view of that company's intention to lay off 100 men in the next week as a result of lack of this type of work?

Mr. Speaker: There is great importance to this question, but I think it should be on the order paper.

Mr. Coates: Mr. Speaker, on a point of order, this is a most serious matter. Cumberland county has been designated a depressed area, and if the Minister of Industry can take some action immediately these men might not be laid off.

Mr. Speaker: I am sure that the importance of the question has now reached the Minister of Industry.

REQUEST FOR EXTENSION OF WINTER WORKS PROGRAM

On the orders of the day:

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I should like to direct a question to the Minister of Finance. With regard to the comments he made in his budget speech about unemployment in designated areas, does the minister intend to co-operate with his colleague the Minister of Labour in order to find a solution which would extend the winter works period in designated areas?

[*Text*]

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, I think it is perhaps unnecessary to say that the members of this government co-operate with each other on all occasions and on all subjects.

Some hon. Members: Oh, oh.

Mr. Gordon: I will be glad to continue to pursue that practice.

[*Translation*]

Mr. Gregoire: A supplementary question, Mr. Speaker. I am convinced that the Minister of Finance co-operates with all his colleagues, but I would like to know whether he will co-operate with the Minister of Labour, in order to find a specific solution to that urgent important and current problem, to wit the extension of the winter works period in designated areas?

[*Text*]

Mr. Gordon: I have nothing further to add, Mr. Speaker.

Hon. Michael Starr (Ontario): I have a supplementary question to the Minister of Labour, Mr. Speaker. I wonder whether the Minister of Labour has had an opportunity to check into his files to see if he has had a submission from the Canadian mayors and municipalities regarding the extension of the municipal winter works incentive program?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, I want to confirm my understanding that no representation has been received from the Canadian federation of mayors and municipalities with respect to an extension of the program.

Mr. Nowlan: They must have fallen down on the job.

QUEBEC—ASSISTANCE TO INDUSTRY IN EASTERN TOWNSHIPS

On the orders of the day:

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I want to ask the Minister of Industry a question. As the minister recently visited the eastern townships, in order to get some first hand information on the industrial position of that district, does he have any statement to make with regard to the help extended in a general way to industry in that part of the country?

Mr. Pigeon: Abolish the tax on building materials.

Hon. C. M. Drury (Minister of Industry): Not today, Mr. Speaker.

[*Later:*]

[*Translation*]

Mr. Henri Latulippe (Compton-Frontenac): Mr. Speaker, I want to direct my question to the Minister of Labour. Could he inform the house whether unemployment will be fought on a regional basis?

Mr. Pigeon: Abolish the tax on building materials.

[*Text*]

Mr. Speaker: Order. I am not quite sure how I should describe this question, but it is far too vague and wide.

CANADIAN BROADCASTING CORPORATION

TORONTO—REQUEST FOR HEARING BEFORE CONVERSION OF STATION CJBC TO FRENCH LANGUAGE

On the orders of the day:

Mr. A. D. Hales (Wellington South): Mr. Speaker, my question is addressed to the Secretary of State. On February 25 the Secretary of State advised the house that he would consult with the Canadian Broadcasting Corporation as to whether they would hold a public hearing in Toronto before radio station CJBC was converted to an all French station. Is the minister now prepared to advise the house of their decision?

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, I would prefer to answer that question tomorrow.

REFERENCE TO MORNING NEWS BROADCAST THIS DAY

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I should like to direct a question to the Secretary of State, who answers in the house for the Canadian Broadcasting Corporation. In view of the contents of the C.B.C. national news program broadcast at 8 a.m. this morning, eastern standard time, and heard over station CBO, Ottawa, would the Secretary of State inquire from the C.B.C. if that corporation has decided to declare political warfare on the government of the province of Ontario?

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

REPRESENTATIONS WITH RESPECT TO PROGRAM PUBLICITY

On the orders of the day:

[*Translation*]

Mr. Raymond Langlois (Megantic): Mr. Speaker, my question is intended for the Secretary of State. Could the minister report on his inquiries or on the representations that might have been made by organizations such as the Jeanne d'Arc or Lacordaire societies concerning the nature of beer ads shown during T.V. programs on the C.B.C.

Hon. Maurice Lamontagne (Secretary of State): Not today, Mr. Speaker.

[Mr. Pigeon.]

[*Later:*]

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I rise on a point of order. Obviously there is a spirit of co-operation in all parts of the house with a view to shortening the question period. But today we had from the same minister two examples showing why it will be difficult to attain our objective if ministers will not answer the questions put to them.

On two occasions today, and apparently with some satisfaction, the Secretary of State (Mr. Lamontagne) gave an answer which did not satisfy the members of the house when he said he would reply later or make inquiries, because most of the time he does not give an answer in the house, even two or three weeks after the question has been asked.

That happened in my case on several occasions for questions I had asked at least three weeks or even a month before. I did not get the answer which was promised me.

I think that the ministers should be the first to co-operate if we want to shorten the question period, but this applies more particularly to the Secretary of State who often acts with arrogance, as shown by his smile in the house.

Mr. Lamontagne: Mr. Speaker, I must register my disagreement with the statements of the hon. member for Lapointe (Mr. Gregoire). The hon. member for Oxford (Mr. Nesbitt) asked me whether I would agree to inquire from the Canadian Broadcasting Corporation, and I replied I would. In the circumstances, I could give no other answer.

When the hon. member for Lapointe asked me to make a statement, I answered I was not ready to do so. On the other hand, had the hon. member given me notice of his question, I probably would have been able to answer satisfactorily.

Mr. Gregoire: Mr. Speaker, my point of order concerned similar questions asked in the past, which have not yet been answered. If the minister so desires, I may refer to numerous instances in that respect.

Mr. Langlois: Mr. Speaker, may I ask a question?

Would the minister consider my question of a few minutes ago as notice?

Mr. Lamontagne: Yes, Mr. Speaker.

[*Text*]

CANADIAN CONSTITUTION

INQUIRY AS TO CONFERENCE LATER THIS YEAR

On the orders of the day:

Mr. Reid Scott (Danforth): Mr. Speaker, I have a question for the Minister of Justice.

In view of the importance of the matter and of public reports, can the Minister of Justice confirm whether a constitutional conference is going to be held in Canada later this year? If so, where and when, who will participate, and what will be the agenda of such a conference?

Mr. Speaker: I suggest that the minister take this question as notice.

[*Later:*]

Mr. Scott: Mr. Speaker, I rise on a point of order concerning the ruling Your Honour just made on my question to the Minister of Justice. I would appreciate your advice, but I had always understood that a minister decides whether to take a question as notice, not Your Honour. You may rule me out of order by suggesting that my question be placed on the order paper, but in this case the minister was rising to reply to my question when Your Honour made that suggestion.

Mr. Speaker: Then in order to be doubly sure may I suggest to the hon. member that he put his question on the order paper.

AGRICULTURE

REPORTED SHORTAGE OF LABOUR ON FARMS

On the orders of the day:

Mr. P. B. Rynard (Simcoe East): Mr. Speaker, I should like to ask the Minister of Agriculture whether he is aware of an acute labour shortage in agriculture, particularly on beef and dairy farms?

Hon. Harry W. Hays (Minister of Agriculture): Of course, Mr. Speaker, I am aware of the situation. We have been doing some studies recently and have found that over the last 10 years we have been losing about 3 per cent of our farm labour force each year, and we are now down to about 600,000. We are considering this very serious problem. I cannot say anything further than that at the moment, but we do recognize that this is a serious problem.

Mr. Raymond Langlois (Megantic): A supplementary question to the Minister of Agriculture. I asked him the other day whether he had any intention of setting up the standing committee on agriculture soon. Is the minister ready today to give us a date as to when that committee will be operating?

Mr. Hays: I can only assure the hon. member again that it will be very soon.

LEGALITY OF ACTIONS DURING TRANSFER OF DUTIES

On the orders of the day:

[*Translation*]

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

Could the minister tell the house whether he has now received a report from his legal officers concerning the orders in council dealing with the respective powers of the Minister of Agriculture and of the Minister of Forestry and the signature of both ministers for the period of February 3 to February 20? If so, could he inform us as to when he intends to report to the house on that subject?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, I must say that I have started getting preliminary reports but I will have to study them myself before I form a final opinion. I will be in a position to report to the house next Tuesday.

[*Text*]

ROYAL CANADIAN AIR FORCE

INQUIRY AS TO POLICY RESPECTING RETIREMENT

On the orders of the day:

Mr. Eldon M. Woolliams (Bow River): Mr. Speaker, I should like to address a question to the minister of defence. Is it a fact that some personnel in the R.C.A.F. are being retired before the expiry of their normal service term? If so, is any arrangement being made for compensation in this regard?

Hon. Paul Hellyer (Minister of National Defence): Yes, Mr. Speaker, it is true; but perhaps I should take the question as notice and give a more detailed answer tomorrow.

NATIONAL DEFENCE

REDUCTION IN PAY AND ALLOWANCES FOR SEA CADET OFFICERS

On the orders of the day:

Hon. Lucien Cardin (Associate Minister of National Defence): Mr. Speaker, last Friday the hon. member for Saint John-Albert asked a question with regard to the reduction in rates of pay and allowances for sea cadet officers. I am now in a position to give the hon. member the following information.

As part of the over-all reduction of defence expenditures, and to bring the pay and allowances received by sea cadet officers in line with the reduced amounts available to Royal Canadian Navy reserve active list officers, the number of days pay and allowances that a sea cadet officer may receive for the performance of divisional drills has been reduced

from 30 to 20 days per training year, normally September 1 to August 31. As this change is only effective from April 1, 1964, there is no question of taking away pay for work which has already been performed. Sea cadet officers will be paid for the total number of days pay and allowances, up to a maximum of 30 days, earned from September 1, 1963 to March 31, 1964. However, those who have already earned 20 or more days pay and allowances prior to April 1, 1964 will not be eligible for further pay for divisional drills for the balance of the training year.

I can also inform the hon. member that necessary instructions are being issued to all sea cadet corps in order to ensure that there is no misunderstanding as to the effect of the foregoing change.

BLANDFORD, N.S.—CONSTRUCTION OF NAVAL RADIO STATION

On the orders of the day:

Mr. Lloyd R. Crouse (Queens-Lunenburg): Mr. Speaker, I wish to direct a question to the Associate Minister of National Defence. On March 11 the associate minister informed the house that his department would investigate the possibility of having the proposed Blandford radio station facilities located at Beaverbank. In view of the unemployment in this area and the uncertainty caused by the fact that tenders have already been called for the construction of a receiver building at Blandford, will the minister inform the house whether a final decision has been reached regarding the placing of these facilities in this particular area?

Hon. Lucien Cardin (Associate Minister of National Defence): Mr. Speaker, the department has looked into the possibility of using the facilities that we have in Beaverbank. It was found that from a technical point of view the radio station contemplated for Blandford could not be placed at Beaverbank. However, the department is still looking into the possibility of using the facilities at Beaverbank for other purposes.

Mr. Crouse: A supplementary question, Mr. Speaker. Does this mean that the development will proceed at Blandford, as originally planned, for the radio receiving station?

Mr. Cardin: Yes, Mr. Speaker.

INQUIRY AS TO SETTING UP OF COMMITTEE

On the orders of the day:

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I wish to ask the Minister of National Defence whether he intends to place before the house very shortly the resolution in his name for the setting up of the special parliamentary committee on defence, in the light of the complexity and importance of the tasks assigned to it. How soon, in other words?

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, it would be the hope of the government that we could bring forward the resolution to set up the committee very soon, and perhaps almost simultaneously with that introduce the legislation amending the National Defence Act so that this bill could be referred to the committee for study.

INQUIRY AS TO RECOVERY OF STOLEN ARMS AND AMMUNITION

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I would like to ask the Minister of Justice a question, of which I have given him notice in order to comply with requirements. Can the minister tell the house whether the arms and munitions stolen from armouries have been recovered?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, I must say that, at the time the last were seized, practically all arms stolen from the Shawinigan armouries had been recovered. Other developments will soon be announced, but all reports published in the newspapers with regard to the recovery of the arms stolen from the Shawinigan armouries are true.

[*Text*]

Mr. Eldon M. Woolliams (Bow River): A supplementary question, Mr. Speaker. Has anybody been arrested in this regard and charged with an offence under the Criminal Code of Canada? I wish to pose this question to the Minister of Justice.

Mr. Favreau: Yes. At the instance of the attorney general of Quebec, who is responsible for the administration of justice in his province, three persons have already been arrested and charged.

FINANCE

SUGGESTED ELIMINATION OF SALES TAX ON BUILDING MATERIAL

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Minister of Finance. In view of the fact that the level of unemployment is quite alarming in eastern Canada and especially in Quebec, does the government intend to abolish the 8 per cent tax on building material as soon as possible, in order to boost the Canadian economy?

Some hon. Members: Order paper.

Mr. Pigeon: Mr. Speaker—

[*Text*]

Mr. Speaker: Order. That question is not urgent in itself although I realize its great importance.

[*Translation*]

Mr. Pigeon: Mr. Speaker, I rise on a point of order. I asked this question because it is very urgent, since the Canadian economy is unsteady at present. In addition, taxpayers, home builders, municipal authorities and school boards are complaining against this discriminatory tax which is crippling the Canadian economy—

[*Text*]

Mr. Speaker: Order. I have already told the hon. member that the question is very important; but I believe the question was asked yesterday or the day before, and it seems to me the order paper is the proper place for this type of question.

HOUSING

REPORTED HALTING OF LOANS BY APPROVED LENDERS

On the orders of the day:

Hon. Michael Starr (Ontario): Mr. Speaker, I wish to direct a question to the Minister of Finance. In view of the question I asked him the other day regarding the drying up of mortgage loans from approved lenders, and his reply that this matter was being given immediate and urgent consideration at the present time, I wonder whether he can report any progress on this question.

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, the government is considering urgently and almost daily certain proposed amendments to be presented in connection with the National Housing Act. I would not want my hon. friend to think that my answer of the other day encompassed any immediate change or any prospective change in the rate of interest on National Housing Act loans. This is a matter, however, that the government has under consideration all the time.

POST OFFICE DEPARTMENT

POLICY RESPECTING CONSTRUCTION OF SMALL POST OFFICES

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I should like to direct a question to the Minister of Labour. Are the small post offices formerly built under the winter works program in all areas of Canada now being constructed only in so-called designated areas? If so, when and in what way was government policy changed in this regard?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, last summer a special vote was provided in the estimates of the Department of Finance to provide for accelerated winter projects not otherwise provided for in the main estimates. These accelerated projects had application to areas designated by the Department of Industry and the Department of Labour as areas of high winter unemployment. I would have to make further inquiries with respect to the post office aspect of that general program.

REQUEST FOR ANNUAL REPORT OF DEPARTMENT

On the orders of the day:

Mr. J. A. McBain (Elgin): Mr. Speaker, I should like to direct a question to the Postmaster General. In view of the fact that later this week we may be discussing the resolution in his name on the order paper, I wonder whether the Postmaster General could indicate when the report of his department for 1963 will be tabled in the house?

Hon. J. R. Nicholson (Postmaster General): Mr. Speaker, it was to have been filed some time this week, and I am surprised if it has not been.

Mr. McBain: I did not hear the answer.

Mr. Nicholson: As far as I know it has been filed. If not, it certainly will be within the next day or so.

NATIONAL PARKS

WOOD BUFFALO—REPRESENTATIONS RESPECTING TRANSFER TO PROVINCE

On the orders of the day:

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, I have a question for the Minister of Northern Affairs and National Resources. I should like to ask him whether representations have been received from the government of the province of Alberta suggesting or requesting the transfer of Wood Buffalo national park to provincial jurisdiction.

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): No representations have been made to me, Mr. Speaker.

INQUIRY AS TO DEVELOPMENT POLICY

On the orders of the day:

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, a few days ago the Minister of Northern Affairs and National Resources said that he would be presenting a new statement

of policy respecting the development of tourist accommodation within the national parks. Can he tell the house when that statement will be available?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, we have almost completed a general statement in respect of the objectives and principles of our national parks management, and I hope to place it before the house at a very early date.

SOCIAL INSURANCE

RETURN OF APPLICATION CARDS FILLED OUT THROUGH MISUNDERSTANDING

On the orders of the day:

[*Translation*]

Mr. Gerard Laprise (Chapleau): Mr. Speaker, I should like to put a question to the Minister of Labour. Now that he has undoubtedly received the telegram from the Quebec Catholic teachers corporation protesting against social security numbers, could he tell us whether he has given instructions so as to enable those who had already completed their cards to withdraw them if they so desire, since they were in no way obliged to do so?

[*Text*]

Hon. A. J. MacEachen (Minister of Labour): No, Mr. Speaker.

PROTEST FROM SECRETARY OF ALBERTA TEACHERS ASSOCIATION

On the orders of the day:

Mr. F. J. W. Fane (Vegreville): Thank you, Mr. Speaker. I have done quite a few push-ups trying to be noticed. I have a question for the Minister of Labour. Has the minister received a protest in the last few days from Mr. S. C. T. Clarke, executive secretary of the Alberta teachers association, protesting against the fact that the teachers of Alberta are being required to apply for social insurance numbers. If he has received this telegram, will he inform the house what he proposes to do about it?

Mr. Speaker: If I remember correctly, it seems to me that I suggested to many members who had similar telegrams from their geographical localities, they should put these questions on the order paper.

SHIPPING

CONSIDERATION OF RECOMMENDATION RESPECTING MERCHANT MARINE

On the orders of the day:

[*Translation*]

Mr. Robert Beaule (Quebec East): Mr. Speaker, I wish to direct a question to the Prime Minister. Can he tell the house if he will follow up the report submitted by the national federation of metallurgists about building up a Canadian merchant marine?

[*Text*]

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

NORTHERN AFFAIRS

ALASKA HIGHWAY—INQUIRY AS TO NEGOTIATIONS WITH UNITED STATES

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, I should like to ask the Minister of Public Works whether any negotiations have yet been commenced with the government of the United States, or have there been any requests for such negotiations, concerning a joint cost sharing program involving the paving of the Alaska highway?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, I answered a similar question a few days ago when I said that at this time officials of the department are making studies and surveys with regard to the cost and the economic benefit of this project. Until a complete report is made no negotiations will be entered into with the government of the United States.

Mr. Nielsen: A supplementary question, Mr. Speaker. I also asked the minister if he had received any requests from the government of the United States for the commencement of such negotiations.

Mr. Deschatelets: Not to my knowledge, Mr. Speaker.

[*Later:*]

Mr. R. N. Thompson (Red Deer): Mr. Speaker, my question is to the Minister of Public Works. With the transfer of authority for the maintenance of the Alaska highway from defence to public works, does the minister have anything to report on the resumption of negotiations between the United States and Canada for the completion of the highway?

Mr. Deschatelets: Mr. Speaker, I answered a similar question a few minutes ago. May I say to the hon. member that as soon as the surveys now going on are completed I will gladly report to the house on the decision which will be taken in respect of any negotiations with the United States government.

CANADIAN NATIONAL RAILWAYS

REQUEST FOR IMPROVEMENT IN POSITION OF RETIRED EMPLOYEES

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Transport. I wonder whether he is yet in a position to implement the promise he has made to me on two occasions, first on February 27 and again on March 20, to make a report to the house on the possibility of improving the pensions of Canadian National employees already retired.

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, I think the hon. gentleman, who is usually very accurate, has somewhat abbreviated what I said. I said I would make inquiries of the railway about the matter. I am going to see the president of the C.N.R. this week and I will raise the question with him at that time.

Mr. Knowles: May I ask a supplementary question. In view of the minister's accurate memory, does he not recall that on March 20, when he last made that promise, he said he would report on the matter at an early date?

Mr. Pickersgill: I will report on it at an early date.

REDISTRIBUTION

PROVISION FOR BOUNDARIES COMMISSIONS AND READJUSTMENT OF REPRESENTATION

The house resumed from Tuesday, April 14, consideration of the motion of Mr. Pickersgill (for the Prime Minister) for the second reading of Bill No. C-72, to provide for the establishment of electoral boundaries commissions to report upon the readjustment of the representation of the provinces in the House of Commons and to provide for the readjustment of such representation in accordance therewith.

Mr. R. W. Prittie (Burnaby-Richmond): I should like to deal with one aspect of the question of redistribution, Mr. Speaker, which has not been mentioned too frequently in the house. I am not going to deal with the question of rural versus urban ridings, but I should like to deal with the disparities which exist between various urban ridings. I am referring particularly to the difference in population which exists between the old city ridings and the new suburban ridings, the places where the greatest growth in the country has taken place. This condition applies right across the country whether you pick Montreal, Quebec, Toronto, Winnipeg, Calgary, Edmonton or Vancouver. You find a number of ridings which have existed for a period of time within a city and you find the suburban ridings which have had a marked increase in population in recent years.

One of the members taking part in this debate earlier said you could tell the constituency from which a member came, by what he said on the redistribution bill. I shall not pretend to be any different from the rest in that connection. I represent a riding in which there has been a 100 per cent population growth since the last redistribution. I should like to deal particularly with the distribution of parliamentary seats in the lower mainland area of British Columbia, that is the area around Vancouver, bearing in mind that the same sort of situation exists in other major centres of the country. It exists in Ottawa, for example. The ridings of Carleton and Russell have grown a great deal, while some of the older city seats have not grown to the same extent.

In the lower mainland of British Columbia, that is the greater metropolitan area of Vancouver, there are 11 representatives in this house, six of whom come from the city of Vancouver and five from what I will call the suburban ridings. Each member from Vancouver represents, on an average, 64,500 persons, if I have done my calculating correctly. Each member from a suburban riding represents an average of 107,000 persons. If you make the same sort of calculation for the city of Toronto and the areas surrounding it, you will find the same disparity. I have looked at the population figures for surburban ridings and I find that in almost every case between 1951 and the present time they have grown by over 100 per cent.

These are the areas, Mr. Speaker, which are continuing to grow, so that the longer redistribution is postponed the more out of date will be the figures we arrived at a number of years ago. These ridings which have grown 100 per cent in population in the last ten years will continue to grow, and in perhaps two or three years time the population will be 150 per cent of what it was at the time the last redistribution took place. I believe it was the hon. member for Carleton (Mr. Francis) who, earlier in this debate, said perhaps there should be a growth factor taken into account in determining the allocation of members within a province and around the major metropolitan centres. I do not know whether or not this is possible, but I think in order to be fair to these places something of that sort should be considered by the commissioners when they begin their work.

If the bill passes in its present form, I understand the province of British Columbia

will gain one member in this house. Obviously, this member should represent a new riding in the lower mainland area. Apart from that, if we are to come anywhere close to representation by population—I say that deliberately because I know we will never achieve that—there will have to be other members added to that particular area as a result of redistribution within the province, and perhaps the amalgamation of some of the ridings which have decreased in population or which have not grown. In the very few remarks I am making, I want to underscore the need to give adequate representation to the suburban areas around the major metropolitan centres of Canada.

I should like to suggest also that, contrary to what has been said by many members, the 20 per cent disparity in the average riding in any particular province which is mentioned in the bill is a figure with which I agree. This is the figure which was used in Australia. I mention Australia because it is like Canada in many ways, in that there are large rural areas and the Australians seem to have worked this out quite satisfactorily. As a matter of fact, in Australia they have a party called the country party, and I understand that in recent years this party has been in coalition with the Liberal party to form the government of that country. Perhaps at some future date in this country we will have a coalition of the country party and the Liberal party to form a government, and we will have a better government.

I should like to emphasize, Mr. Speaker, that this redistribution which we are considering is long overdue. I hope this bill will not be held up too long, so that the commissioners can be appointed in each province. Then, possibly 12 months from this time they will have completed their work and a bill will be before the house to complete this redistribution. It would be a great shame to go through another election in this country based upon the 1951 census and the improper distribution which exists now. I again urge that the 20 per cent allowance is good enough and you can get a great deal of variation with it.

[*Translation*]

Mr. Clement Vincent (Nicolet-Yamaska): Mr. Speaker, before going any further, I want to tell the house that the political future of rural constituencies is at stake as soon as we start dealing with the motion now before us. Furthermore, I wish to put on record certain comments which, in my opinion, can apply to all rural ridings in my province, the province of Quebec.

I should like all hon. members to listen to me closely, because our action in supporting

[Mr. Prittie.]

the bill to come will influence the political future of rural ridings and the quality of the work to be done by each representative of those constituencies.

While conceding that the saying "rep by pop" must be put into practice, we should not lose sight of geographical considerations, the high and the low density of population and all those factors to be taken into account when the time comes for redistribution.

I agree with part of clause 13 of Bill No. C-72, except for the percentage. In that matter, I differ with the hon. member who preceded me, perhaps because I represent a rural riding, but also because we should keep the proportional representation as efficient as possible in view of the future of those rural ridings. To my mind—and according to several hon. members from all political parties—the percentage of 20 per cent would not be high enough. Some will say that there is no difference in representing an urban population or a rural one.

Let us say, for instance, that this percentage of 20 per cent is applied. It would mean that, in the province of Quebec, we would have 70,123 as a quotient after dividing the total population by the number of seats in the house. There would be ridings with a maximum population of 84,147, and others with a minimum population of 55,100. A county like Nicolet-Yamaska, a population of 45,192 which I represent in the house—and this applies to several other rural ridings in the province of Quebec, of which there are 13—should have a minimum population of 55,100.

Therefore, first of all, 12 to 15 parishes would have to be added to the 36 already included in that riding; second, to the 57 municipalities of the riding of Nicolet-Yamaska, there would have to be added another score, which would mean 75 to 80 municipal councils; third, some 15 to 20 post offices would have to be added to the 40 already existing in the riding of Nicolet-Yamaska, which would give a total of 55 post offices, fourth, to the 62 rural mail carriers of this riding 20 should be added to bring the total up to 82; fifth, at present, the rural riding —the example I offer is that of Nicolet-Yamaska—is being served by four offices of the unemployment insurance commission and four national employment offices. It would be necessary to add parishes which would be served by a fifth national employment office and a fifth office of the unemployment insurance commission; sixth, to the parishes of that part of the riding located in five provincial ridings should be added parishes which would be located in a sixth or a seventh

provincial riding; seventh, this would considerably extend the mileage, the distance between the limits of the riding, and render difficult the communications between the member and his electors. As the rural telephone lines are shared by several parties in a rural constituency, there is no question of confidential conversations over the telephone. Moreover, the elector must always pay for long distance calls when he wishes to speak with his representative.

The members for rural ridings have a lot to do. The people in these ridings rely on their member; often times, he is the only channel through which they may communicate with their fellow citizens belonging to other classes of society.

Let us avoid passing a measure which could only muffle the voice of this section of the population which is too often overlooked.

These added parishes would mean extra work for the member of a rural riding who is already burdened with other official functions. This would compel him to spend more time visiting community centres, for such centres wish to keep their own entity, of which they are proud—and I do understand them. The member would then have to meet with more municipal authorities, to look into a greater number of postal problems, and so on, and this would apply in every field. In a word, the member for an overly enlarged rural riding would have less time to devote to his legislative duties.

As a concrete proposal, I ask the government—not only on my own behalf, but also on behalf of the representatives of rural constituencies—to include in this bill a tolerance of 33⅓ per cent instead of 20 per cent. With such a margin, in a Quebec constituency the maximum population would be 93,500 and the minimum about 46,750. This maximum number would enable to divide in half some constituencies now overpopulated while increasing only by a few thousands the population of rural constituencies.

The representatives of urban ridings will object and maintain that there is too much difference between the population of urban and rural constituencies. Quite frankly, we must admit that this is a very important improvement and I intend to prove it with a few figures taken from the last census of the province of Quebec.

But before having a quick look at the constituencies of the province of Quebec, may I submit another argument in favour of the widening of that margin. If that tolerance remained at 20 per cent, several rural constituencies would disappear. Is that the wish of the house? Or is it the wish of the government? I do not think so, at least, I hope not. Our duty, as members of parliament, and the duty of the government, is to protect those constituencies in order to avoid too great a decrease. We will all have to answer for the action taken in the next few days or weeks. If the margin was set at 33⅓ per cent, 47 constituencies with more than 46,750 people but less than 93,500, would not be affected.

Mr. Speaker, I do not propose to read the list of those constituencies but, with the consent of the house, I should like to have it printed in *Hansard*.

[*Text*]

The Acting Speaker (Mr. Batten): Order. Does the house give unanimous consent to the hon. member to have this table printed in *Hansard*?

Mr. Pickersgill: I apologize to the hon. gentleman for not catching what the table was about, and I would be grateful if he could indicate precisely what it is.

Mr. Vincent: This is a list of the ridings in the province of Quebec that would not be affected by the margin of 33⅓ per cent.

Mr. Pickersgill: Could the hon. gentleman say who did the arithmetic?

Mr. Vincent: The census of 1961.

Mr. Pickersgill: Then I am only too happy to have it put in.

The Acting Speaker (Mr. Batten): Is it agreed?

Some hon. Members: Agreed.

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

Argenteuil-Deux-Montagnes, Beauce, Beauharnois-Salaberry, Berthier-Maskinonge-Delanaudiere, Chambly-Rouville, Champlain, Chapleau, Charlevoix, Chateauguay-Huntingdon-Laprairie, Chicoutimi, Drummond-Arthabaska, Gaspe, Gatineau, Hull, Lake St. John, Lapointe, Levis, Matapedia-Matane, Megantic, Cartier, Hochelaga, Lafontaine, Outremont-St. Jean, Papineau, St. Antoine-Westmount, St. Denis, St. Henry, St. James, St. Mary, Verdun, Portneuf, Quebec East, Quebec West, Quebec South, Richelieu-Vercheres, Richmond, Wolfe, Rimouski, Roberval, St. Hyacinthe-Bagot, St. Jean-Iberville-Napierville, St. Maurice-Lafleche, Saguenay, Shefford, Sherbrooke, Riviere du Loup-Temiscouata, Three Rivers, Villeneuve.

[*Translation*]

Mr. Vincent: While this margin of 33⅓ per cent would affect these other ridings by increasing or decreasing their population, whichever may be the case. Once again, Mr. Speaker, I request permission to place on record a list of the ridings the population of which would be less than 46,750 or more than 93,500.

Some hon. Members: Agreed.

Electoral Boundaries Commission

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

Bellechasse	32,513
Bonaventure	42,962
Brome-Missisquoi	43,217
Compton-Frontenac	42,366
Dorchester	38,953
Îles de la Madeleine	12,479
Joliette-L'Assomption-Montcalm	102,717
Kamouraska	35,312
Labelle	45,701
Longueuil	107,318
Lotbiniere	38,529
Montmagny-L'Islet	40,987
Dollard	107,394
Jacques Cartier-Lasalle	163,148
Laurier	45,652
Laval	193,437
Maisonneuve-Rosemont	108,023
Mercier	233,964
Mount Royal	128,524
Notre Dame de Grace	100,719
St. Ann	38,173
St. Lawrence-St. George	34,020
Nicolet-Yamaska	45,192
Pontiac-Temiscamingue	41,069
Quebec-Montmorency	138,030
Stanstead	43,309
Terrebonne	102,450
Vaudreuil-Soulanges	38,756

Mr. Vincent: A few moments ago I was saying that the member for a rural riding has a lot more representation work to perform, more organizations to meet, and this, I believe, everybody will admit. In cities or in urban ridings, there is often only one municipal council, one post office, one mail distribution, one unemployment insurance office and one national employment office. The distances are shorter and communications easier when one travels or phones. Many constituents work in the same locality and they have the same problems. Therefore, less work is required on the spot from the member.

Far from me to suggest that even if a member for a rural riding has more representation work to do, he actually works more than the representative of an urban riding, or even that the urban representative works less than his colleague from a rural riding. No.

What happens is that the member representing a rural riding has less time to study legislation and the general problems of his country. That must be taken into account because the political future of rural ridings, I say it again, depends on that margin of 20 or 33⅓ per cent. Besides, if I am not mistaken, Hon. Jean Lesage himself stated, when he was elected Liberal party leader in Quebec, that as leader he preferred to represent an urban riding because he thus had more time to himself.

What about the defeat at the polls of a former premier of Quebec, Hon. Adelard Godbout, who represented a rural riding. He confirmed himself later that had he represented an urban riding he would have had more time to look after his party's business and that it was the lack of time which led to his defeat, because he could not be in his riding often enough.

Another example I could quote is the case of two ministers who succeeded each other in the federal electoral district of Lotbiniere. Both of them, although of different political parties, were defeated in this rural constituency, and the main reason given by the voters is the following: "We have not seen them often enough in our parishes, at our ceremonies", or else, "they were incapable of maintaining an office in their riding on account of their duties and obligations as ministers".

Furthermore, whether we impose upon the commission or commissions—I have not yet had time to study this aspect of the matter, but I shall go back to it at the committee stage—a tolerance of 20 per cent, it would mean that, in some cases, where for reasons pertaining to geography, economy or others, even if they had good reasons to do so, the commissioners wanted to fix the limit at 21, 22, 23 or even 26 per cent, they would be required under the law to retain a tolerance of 20 per cent. The commissioners would, therefore, be required to ignore some geographic or economic factors, because the law of this parliament would compel them to fix this limit at 20 per cent.

I should now like to outline two situations that members of the electoral boundaries commissions will certainly meet with.

Let us take a rural riding where, for certain economic reasons, the population is expected to increase considerably. In spite of this expectation, electoral districts will have to be redistributed temporarily and later on, that is, in five or 10 years, other major changes will have to be made. This example applies to several rural constituencies located in the vicinity of cities, and more especially to the riding of Nicolet-Yamaska, whose population is expected to increase considerably in the next five or 10 years due to the setting up of steel complex in the near future.

In concluding, Mr. Speaker, I wish to tell you that the question we are dealing with at present is very important, since we have to decide whether we should accept a 20 per cent tolerance or a 33⅓ per cent tolerance. If we accept a 20 per cent tolerance, it will be absolutely impossible for us to take a reverse action. On the other hand, if we accept

the 33⅓ per cent tolerance, we shall not regret it, because in 10 or 20 years time, we can always change it.

Finally, I wish to repeat the assertion I made earlier. Whether we accept the 20 per cent or the 33⅓ per cent tolerance, the political future of rural counties is at stake. Let us not be mistaken; an ounce of prevention is worth a pound of cure.

[*Text*]

Mr. Reynold Rapp (Humboldt-Melfort-Tisdale): As one who comes from the province of Saskatchewan, the province which according to the bill before us is supposed to lose more ridings than any other province in Canada, I feel it is my duty to take exception to this measure.

I am not asking that special consideration should be given to the province of Saskatchewan, but I should like to bring the case of this agricultural province to the attention of the house and compare it with the situation in other provinces where the population is more condensed and where such a high proportion of the electorate live in industrial cities. To say that the vast area of Saskatchewan can be represented adequately by only 13 members is almost ridiculous. Some of our ridings are immense in extent; they stretch many hundreds of miles in every direction. If redistribution takes place according to the bill, then many municipalities will be cut up even more than when there were 17 ridings in Saskatchewan. School districts will also be affected, many of them to the extent that they too will be cut up and divided. The same applies to hospital areas. According to the bill a 20 per cent tolerance in this respect is allowed; but in an area like Saskatchewan I think 20 per cent is not the right percentage, that it should be at least 33⅓ per cent. The problem is roughly the same in the province of Manitoba, with 14 members compared with Saskatchewan's 17. Nevertheless we must take into consideration the fact that the province of Manitoba is far more industrialized than the province of Saskatchewan. We have in Saskatchewan large cities, like Saskatoon and Regina, which may also have more than one representative. This will mean that here, too, more members will lose their ridings, mainly in agricultural areas.

I think that when the commissions are set up they should consider that, instead of having 265 members of parliament as we have at the present time, it might be justifiable to increase the number so that these large agricultural areas or other large areas which were previously represented in this house are not cut up to the extent that hardship is created. As I have said, municipalities, school districts and hospital areas are going to be affected.

As I said at the outset, Mr. Speaker, I am not pleading for Saskatchewan, but I should like to bring to the attention of the house the fact that if this redistribution bill is brought into force these areas I have mentioned will have to be given special consideration. Saskatchewan has the largest number of agricultural areas in Canada. It is not my intention to delay the debate on Bill No. C-72, but I thought I should, as a member from Saskatchewan, take this opportunity of bringing forward the special case of the province of Saskatchewan to the attention of the house.

Mr. R. R. Southam (Moose Mountain): Mr. Speaker, I, too, coming from the province of Saskatchewan, would like to join my colleague from that province in a few short comments on this Bill No. C-72 which has been introduced by the Minister of Transport (Mr. Pickersgill). It is a bill to provide for the establishment of electoral boundaries commissions, and under this proposed legislation I feel that Saskatchewan does require some special provision or consideration. This point was considered when the question of redistribution was discussed in this house in 1952, when the then government under the leadership of the venerable and capable prime minister of the day, the Right Hon. Louis St. Laurent, felt justified in giving Saskatchewan such consideration. This consideration was supported at that time, I think, by the hon. member for Winnipeg North Centre (Mr. Knowles), whose remarks were recorded at page 1143 of *Hansard* for April 21, 1952. Some of his remarks were referred to by my colleague the hon. member for Rosthern (Mr. Nasserden); I do not intend to read them again but his comments are worth noting.

The situation in the west is such that approximately 30 per cent of the members of this house come from Manitoba and west of Manitoba, the other 70 per cent coming from eastern Canada. Therefore, with this distribution of our population I feel that western Canada has always had one strike against it as far as representation of areas is concerned. Singling out Saskatchewan by way of example, if the formula proposed in this bill were implemented Saskatchewan, as it has been pointed out, could lose four members. To Saskatchewan this would be approximately a 25 per cent loss of representation, and this to an area of great importance to Canada. As my hon. friend from Humboldt-Melfort-Tisdale (Mr. Rapp) pointed out, the importance to Canada's economy of this part of the country is tremendous. Saskatchewan is known as the bread basket of the world, and

the loss of four seats would be a tremendous blow to the province unless special consideration were given.

Just to put the matter into perspective, Mr. Speaker, let us look at the possible gain to other parts of Canada, such as an urban centre like Toronto. It has been suggested that this great urban metropolis might gain four, five or possibly six seats, bringing its total representation up to, say, 26 members. Let us compare the representation of this one urban centre to that of a whole province, such as Saskatchewan, which might be confined to only 13 ridings. I think that this puts the problem into perspective on a geographic basis. True enough, Toronto has a large population; but looking at that population and comparing it to the population of Saskatchewan, and looking at the economic problems of that condensed area of Toronto, I feel in all justification that it could be represented by less rather than more members. I also feel Saskatchewan should at least maintain as many as it now has.

Another factor which should be considered in the present scene as we see it today is that the responsibilities of this great nation of ours in world affairs mean that, figuratively speaking, the world is becoming smaller and our contribution more complex. With our entrance into external affairs and world problems this means that this House of Commons has to sit sometimes six, seven or even eight months in the year in order to carry on the nation's business. This means that members from large rural areas, such as those in Saskatchewan with large geographic boundaries, have no time to get back home and meet personally representatives from the municipalities, which representatives are like ourselves elected, discuss with them the problems in their various municipalities, and meet one's constituents personally.

If the boundaries are enlarged this will mean that greater hardship will fall on the members representing these larger constituencies and it will have an adverse effect on the welfare of their constituents. True enough, people will argue that with modern means of transportation we can get around more quickly. That is true, but we must compare this state of affairs with members who represent ridings such as mine. Or let us take the constituency of Mackenzie up in the northeast corner of Saskatchewan or the Meadow Lake area in the northwest. We require transportation by air in order to get around our constituencies.

Mr. Nowlan: I have to use a motor boat.

Mr. Southam: Yes, some hon. members have to use a motor boat. Much time is spent in travelling. Therefore, this suggestion about increasing the boundary areas should get, as I say, very special attention.

[Mr. Southam.]

With these few remarks, Mr. Speaker, I will close; but I again make the plea to the Minister of Transport that the commissions which are to be set up should take special notice of the problems I have mentioned.

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

Mr. Pickersgill: Mr. Speaker, I would just like to say about two words—

The Acting Speaker (Mr. Batten): Order. I must advise the house that if the Minister of Transport (Mr. Pickersgill) speaks now, he will close the debate.

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I only have a few remarks to make on the matter now before us.

Surely, great prudence will be required in the consideration of this bill, so that there will be no discrimination on the part of the government on that matter of redistribution. I have great confidence in the civil servants, including Mr. Castonguay who is very able, very dedicated, and who is doing an excellent job. Several criteria will have to be taken into consideration concerning redistribution. First of all, the area; second, the low density of population; third, the geography; fourth, the provincial divisions.

May I point out that as far as certain ridings of the province of Quebec are concerned, there is a quite rigid section in the British North America Act providing that the delimitations of certain ridings must remain unchanged at the provincial level, so far as the province of Quebec is concerned, such as the ridings of Pontiac, Hull, Argenteuil, Huntingdon, Missisquoi, Brome, Shefford, Stanstead, Compton, Wolfe, Richmond, Megantic and Sherbrooke. Those are permanent ridings which cannot be changed. Their delimitations cannot be changed by the province of Quebec for redistribution purposes, without an amendment to the British North America Act. At that time, those provisions were made to give justice to English speaking minorities in the province of Quebec which had settled in certain particular ridings.

I want to mention this fact in the house, even if it does not come under federal administration. In any case, with regard to redistribution, the government has to consider the English speaking minority in the province of Quebec, but also the French minorities in the various provinces of this country.

If, for instance, in provinces like Manitoba, Ontario and New Brunswick, there are important communities of French speaking Canadians, the fact should be definitely considered in a redistribution, so as to avoid discrimination and to enable those homogeneous groups, with the same culture, language and traditions, to be represented in Ottawa by a member meeting those requirements, if they so desire.

This also applies to the English minorities in the province of Quebec. It would be unfair to the French minorities in other provinces of this country, as well as to the English minority in the province of Quebec, to cut up ridings so as to deprive those minorities of their right to adequate representation.

The English minority in the province of Quebec should not be absorbed by the French majority, no more than the French minorities in the English provinces of this country should be absorbed by the English majority.

To my mind, there should be a special clause stipulating that the rights of the French speaking minorities in the other provinces, as well as those of the English minority in the province of Quebec, be considered.

As I said a moment ago, the British North America Act contains a section which, as regards redistribution in the province of Quebec, provides for counties whose limits or frontiers cannot be changed. That should also apply to constituencies in certain parts of the country where there are French Canadian localities.

Mr. Speaker, I do not wish to delay the passing of this bill and I will only ask the minister to bear that point in mind, a point which I consider of the utmost importance, at the time of the redistribution of ridings. I would be pleased if the minister could say a few words on the subject.

[*Text*]

Mr. Eric A. Winkler (Grey-Bruce): Mr. Speaker, I wish to say just a very brief word before we complete the discussion at this stage. I certainly will not take up many minutes of the time of the house. I think the minister in this instance will perhaps be eligible for some sort of award when we complete the consideration of the bill, because it will be the first bill the government has not pulled out of on its own, amended, changed—

Mr. Nowlan: Or ruined.

Mr. Winkler: That is correct, or ruined, before bringing it back into the house. The point I should like to make is in conjunction with what I said earlier this week in the house with regard to redistribution. I think the minister and the government should consider very, very seriously the point in regard to the tolerance figure now contained in the bill. I believe that in a country such as Canada we cannot have representation by population right at the basis of our thinking. This cannot be an exact basis for consideration. I believe that the confusion—and I say this very honestly—which the government has created and which exists in the country today in many other fields will only be compounded if they endeavour in the first instance to start off from a very, very narrow base such as the 20 per cent they have indicated or the 10 per cent that someone else has indicated. I think it should not be any lower than 33⅓ per cent; then as the years go by and this question comes back for consideration this figure can be reduced and the people of Canada will understand the function of the bill as it follows each census.

We know that in Great Britain there is no tolerance figure; this situation is left entirely in the hands of the adjudicators in regard to setting the areas of population and territory as well. Therefore I suggest very, very strongly to the minister that he should consider this point before we reach the committee stage; that he should be prepared to amend this figure to 33⅓ per cent. I say this on behalf of his own well-being as the minister presenting the bill, and also as a politician. I think he may have some other point in mind here in the way the constituencies will be established. We do not believe for one moment that he is going to eliminate a constituency, but he may contort it sufficiently that somebody will be placed in a position of disadvantage; and you can be very sure, Mr. Speaker, that it will not be the minister or any of his supporters.

We want him to know that we are cognizant of these things and we plead with him at this stage—I personally plead with him—to adopt a tolerance figure of 33⅓ per cent to begin the function the bill is supposed to carry through, or eliminate it and leave the matter entirely in the hands of the commissions concerned.

Mr. K. H. More (Regina City): Mr. Speaker, I only want to speak briefly, and put a point of view to the minister before we pass this bill. I have listened to this debate and followed it up by re-reading the presentations that have been made to this stage. I found some very interesting things in those presentations. The hon. member for Winnipeg North Centre (Mr. Knowles), who now supports a limited tolerance, in 1952 when his party had a large representation from the rural areas of the country did not have this view. It is

quite apparent that the changed circumstances have changed his view. His confrere, who spoke about rural tyranny, had nothing much to support that point of view. I do not know whether it was rural tyranny when the farmers of the country supplied grain to Britain under a fixed price agreement initiated by a Liberal government which did not bring them the returns they could have obtained by selling in the world market as did the Americans. On the other hand, industry in this country had cost-plus contracts for defence needs while the farmers provided grain at a fixed price. It has been argued that they lost millions of dollars by doing so; in fact, some say as high as $600 million. If that is rural tyranny perhaps we should have more of it to help to build up this country and to support the efforts that Canada makes to keep the world free.

I suppose it was rural tyranny that produced the great abundance of wheat which has lifted our economy at the present time. I say that our farmers have played their part in building the country since confederation, will continue to do so and deserve a proper voice in the government of the country. All arguments in favour of representation by population fall flat because, in the case of certain provinces there is a floor so far as representation is concerned below which the number of their members cannot fall.

In view of the great extent of Canada I think a tolerance of 20 per cent by way of variation is completely unreasonable and cannot be argued to be sufficient. I do not think that a larger voice for rural Canada as opposed to representation by population produces tyranny at all. It has not produced it in this house or in government measures in any way, shape or form in the history of the country. When one considers the obligations of those who represent rural areas and the problems they meet in consulting with their constituents, I think the figure of 33⅓ per cent which we have put forward is very reasonable.

I represent a strictly urban community. The only complaint I have had from these people is that they would like to know when the boundaries are going to be changed so that people whose interests are centered in the city of Regina can vote for a representative or representatives of the city of Regina. I have not tried to find out what the 20 per cent figure might do to my constituency and the whole area of the city of Regina. I have not tried in any way to get prior information, for the sake of argument, with regard to what might have been developed on certain bases, but I do submit that the tolerance of 20 per cent ties the hands of this non-political commission.

I fully agree that the commission should be non-political. I think it is time we had such a commission, but such a figure does not give the commission enough leeway with regard to the situation in Regina where we have a population of 120,000. The city is not large enough for two members and if the figure of 20 per cent is used and Regina is carved up to meet that tolerance the result will be that areas will be taken in that have no relationship at all to the city, and no great interest in the problems that the residents of the city want their representative to deal with.

That is the only representation that has been made to me. The people who live in the burgeoning areas outside the old city boundaries all vote in the constituency of Moose Jaw-Lake Centre, I believe, and they all complain that their voice is therefore not heard so far as the affairs of the city are concerned. It is also passing strange in my opinion that in 1952 the legislature of Saskatchewan, composed wholly of Liberal and C.C.F. members, adopted a resolution unanimously with regard to the situation in Saskatchewan, which was forwarded to a Liberal government in Ottawa and, in the words of the then prime minister, was given attention; but at the present time they have not raised their voices at all. I can only think the reason is that they would like to have fewer than 17 Conservative members from Saskatchewan and they think the only way they can accomplish this is by remaining silent and letting the over-all number of members be reduced.

Mr. Prittie: Would the hon. member answer a question?

Mr. More: I will answer if I have time when I finish. I do not intend to be interrupted now. This is a passing strange situation. I do not speak politically because I do not know whether I would be returned if all of the city of Regina were in one constituency, but I believe that these people have a reasonable claim when they wish to be represented by someone who knows what their interests are.

As I say, it is passing strange that the matter has not been raised in the Saskatchewan legislature. We were only going to lose three seats in 1952 and now we are going to lose four, but nobody in the Saskatchewan legislature is paying any attention whatsoever. There is no move on the part of the federal Liberal government to consider this factor. I think it is evident that the figure has been placed at 20 per cent because both the C.C.F. and the present government believe that their

strength lies in the urban areas and they believe that such a tolerance will give them the best break in those areas.

When the 1952 redistribution took place the area north of the tracks in Regina was considered to be strong C.C.F. territory. They had a Liberal representative for Regina and that area was carved off because it was thought this would make the riding safe for that representative. That area was put into Moose Jaw-Lake Centre which was represented by an unbeatable man as a C.C.F. member by the name of Ross Thatcher, who I think has something to do now with the Liberal party so far as the present campaign in Saskatchewan is concerned. The Liberals conceded that area to him and added north Regina to it, thinking that it would be a safe C.C.F. seat and that they would get rid of John Diefenbaker. He was the man at whom all this carving was really aimed. He was the man they wanted to get rid of. They wanted to assure the election of a Liberal in the one riding while conceding the other area to Thatcher. But this political manoeuvring did not work out. Neither of these ridings is represented by a Liberal and they have not been for some time. John Diefenbaker is still here. This kind of monkey business failed.

I am glad to see the matter of redistribution being referred to a non-political commission headed by a distinguished public servant in whom I have every confidence. However, I say his hands are being tied too much by the figure of 20 per cent and I hope the minister will tell the house that the government will give consideration to changing the 20 per cent to 33⅓ per cent.

Mr. Prittie: Will the hon. member permit a question now?

Mr. More: Yes.

Mr. Prittie: Does the hon. member realize that there is nothing in this legislation causing a reduction of seats in Saskatchewan, but that it is an automatic operation under the British North America Act?

Mr. More: There were changes made in the B.N.A. Act in 1952. No changes to help Saskatchewan at this time have been mooted.

Mr. Deputy Speaker: Order. I should caution the house that if the minister speaks now he will close the debate.

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, I really apologize to hon. members when I say that although it is customary in closing a debate to deal with all points that have been raised during the debate I am going to refrain from doing so on this occasion. I would not have risen at all except to say two things. One I had not intended to say until the hon. member for Grey-Bruce (Mr. Winkler), the chief whip on the other side of the house, spoke. He spoke as though in some mysterious way in what we were doing the government was going to have something to do with redistribution. It is not. I think we have given every possible evidence that any government could give in the kind of legislation we have introduced and in the kind of suggestions we have already entertained for improving that legislation, that what we want to be sure of is that the government will not, any more than the opposition, have any influence on this redistribution, that the redistribution will be done by commissions that will be set up, I hope, as a result of this legislation and that it will be done fairly, bearing in mind the point I made a long time ago when we first started this debate, that after all our duty in distributing the representation in this country is to see that the people of Canada are represented, not to elect John Diefenbaker or Ross Thatcher, to mention the last two people referred to, or anybody else.

Every elector in Canada, whether he is a Tory or a Creditiste or a Liberal or a Social Crediter or an N.D.P. or a C.C.F.'er or even someone who will not join any party is just as much entitled to be represented in this house, as long as he has a vote, as any other citizen of Canada. I think we have paid far too much attention in the past, and I hope we will not in the future, to this argument about whether one party or another may get some transitory advantage. I think the hon. member for Regina City (Mr. More) did us a service in pointing out that a lot of these calculations have rather gone awry.

I might also remind the hon. member for Regina City, because I think it is only fair to recall the facts, that the amendment that was made to the British North America Act in 1952, to which he referred, was made at the instance of Mr. Louis St. Laurent and Mr. J. G. Gardiner. This amendment was made for the purpose of taking account of the very fact to which the hon. gentleman referred, namely, that the rapid urbanization that had resulted from the war had resulted in the growth of Saskatchewan not comparing with that of the other provinces, and the loss in membership that would have taken place at that time would have been inequitable, so a period of time should be allowed to elapse to see whether or not that trend would be changed.

Mr. More: I should like to say to the minister that I support him wholly. I did not want to give any idea, as a result of my remarks, that this was not so. I said the resolution came from the legislature and that

the former prime minister (Mr. St. Laurent) had paid attention to it, so there was a change made.

Mr. Pickersgill: I am not seeking to quarrel with the hon. gentleman. I was seeking to agree with him. Outside of the house I nearly always agree with him about everything. He is one of those members, and I wish we had more colleagues over there, with whom it is rather hard to disagree even in the house.

The point I was making is one which I made before, namely that we are going into committee in a very few minutes on this bill and I want to emphasize once more the position which has been taken by me and by my colleagues on the treasury benches. This bill, although in form it has to be a government measure under our rules, is one for which the government feels it has no more responsibility than any other member. Any improvements that can be made to it from any quarter of the house will not be cast aside without a hearing. I hope that if we do make any changes they will not be described as somersaults or referred to by some of the other descriptive phrases that are used in this house. I hope they will be accepted in the spirit in which we have approached this from the beginning.

I hope there will be in all quarters of the house an effort to make this measure fair and make it workable. Both things are important. A measure can be theoretically fair, but because it did not follow the proper, traditional geographical boundaries in this country, it may be quite unworkable and create anomalies. I agree with the hon. member for Regina City that, as far as possible, we want to avoid constituencies being half urban and half rural. This is not a very satisfactory situation, but it cannot always be avoided. Where it obviously can be avoided, it is certainly better because it is easier for a member to represent the specialized interests of his constituency. He can be just as good a Canadian if he represents Regina City as he can if he represents Humboldt-Melfort-Tisdale.

There is one point I think I should like to make. I have listened carefully to the arguments that have been made by hon. gentlemen of the official opposition. They have suggested they would prefer to have one commission. I might say that if hon. gentlemen wish to move an amendment, of course we will not attempt to have it ruled out of order. However I do not believe I could vote for such an amendment, and I will tell you why. I do not believe I could vote for it because I do not believe the job could be done in the time that we feel it ought to be done, that is to say as nearly a year as possible, with one commission. It is felt this legislation should come into effect in 1966 which is, after all, five full years after the census. The commission which was set up in Ontario nearly two years ago has so far only succeeded in dealing with metropolitan Toronto, according to reports I received. It is expected that this commission will take at least another year to complete its job. The commission now functioning would not have any more difficulties than our commission for Ontario would have. I believe this experience bears out what I have said.

I have also read recently about the latest efforts of the commission in the United Kingdom. There are four commissions there, one for England, one for Wales, one for Scotland and one for Northern Ireland. Of course the English commission has a much bigger job than the other three put together. There is no doubt that the commission in the United Kingdom was rather pressed for time because of the magnitude of the problem.

This is the reason we feel this job can be done better by ten commissions. There is no question but that we are very fortunate, and I say this without hesitation, because this and the other place put a stamp of approval upon Mr. Castonguay by legislating him as the representation commissioner. I feel we are very fortunate in having a man of his ability, background and experience to serve on all ten of these commissions. I think everybody understands he is not going to attempt to do the detailed work on any one of them. The reason we want him to be on all of them is to make sure they will be moving in step, that they will be following substantially the same rules.

Apart from the one point I have mentioned with regard to the ten commissions, and I think I would vote against any amendment to reduce the number, I would hope my views on this subject would commend themselves to a majority in the house. I would even hope that upon reflection they would commend themselves to virtually everyone in the house. Apart from that, any other suggestions for amendment to any other section of the bill, will be considered on their merits. I am speaking for myself, as sponsor of the bill, and I do not feel I should attempt to speak for anyone else in the house. I intend to look at these things dispassionately and if I think any amendment is an improvement, I am going to say I would vote for the amendment. I can do that because the Prime Minister, technically, is the sponsor of this bill. I am not sure I even have the right to be speaking now.

Mr. Nowlan: I did not want to raise the point.

Mr. Pickersgill: However, since I have started, it is too late to raise the point now.

Mr. Knowles: I do not believe we should allow the Minister of Transport to carry on in sin, if that were the case. Actually, according to the order paper, we are resuming a debate on the motion of the Minister of Transport, so on this interesting and rare occasion he is in order.

Mr. Pickersgill: As a matter of fact, one always feels happier to be legitimate. I thank the hon. gentleman for rendering a judgment in this case.

I do say again, as I said earlier when introducing this bill and in referring to the bill we put through in the last session of parliament to set up the office of representation commissioner, I greatly appreciate the manner in which all parties and members in the house have approached this subject and I hope that we can now fairly quickly bring it to a conclusion in the same non-partisan way.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Lamoureux in the chair.

On clause 1—*Short title.*

The Chairman: Shall clause 1 carry?

Mr. Pickersgill: Before we begin the discussion on this clause, Mr. Chairman, I have a suggestion to make to the committee. It is quite evident from the speeches made throughout the period of second reading, including those made today, that the most controversial clause in this bill is the one relating to the tolerance figure. We might make much better progress if we could agree, when we reach that clause, to allow it to stand, go on with the other clauses of the bill and later return to it.

The reason I make this suggestion is because occasionally, when a clause is very controversial, a lot of time is spent considering it, with the result that hon. members think they may have spent a lot of time considering the bill, and may not give the scrutiny they otherwise would to the other clauses. I think we would make better progress if we could agree to deal with all the other clauses first.

The Chairman: Is that agreed?

Mr. Nowlan: So long as it does not preclude anyone from making references to the quotas.

Mr. Pickersgill: Not at all.

The Chairman: Shall the clause carry?

Mr. Nowlan: No, I do not think anyone could expect clause 1 to go through without some discussion of the general features of the bill. I am sure the Minister of Transport has been pleasantly surprised this afternoon with the progress already made, and we would not want to put too much of a strain on his emotional capacities by passing clause 1 so quickly.

As the minister has pointed out, there are some clauses of the bill which are more controversial than others that can be dealt with very quickly, and it is a matter of the record that we shall deal with the quota clause later on. That is an excellent suggestion and we should proceed on that basis.

It is also a very happy thing that apparently we have a high degree of unanimity on the fact that we are dealing with this matter in a non-political manner. Those of us who have been members for a long while and have gone through redistributions in bygone days, realize the difficulties a political committee has in trying to deal with this matter. One of the fundamental problems in trying to draft a bill such as this is to leave a substantial authority with parliament and, at the same time, not have the matters referred to a commission coming back to a parliamentary committee and there going through the log-rolling and the political mill which is inevitable.

I can speak with some feeling on this matter because I had something to do with trying to draft a bill in former years that would meet this requirement. I remember the heated discussions we had in various committees, and in other places which I am not reporting on at the moment, as to whether one could draft a bill which would maintain that parliamentary control and at the same time remove this from the parliamentary committee. This bill purports to do that in a rather ingenious way. It is, of course, bypassing parliament, once parliament approves it, to something like another place where they can debate or reject, but they cannot amend. Frankly I think this is the best solution that could be arrived at.

It is an absolutely impossible problem which is involved in the passage of a bill such as this, if you are going to take it out of the political arena and, at the same time, have any report that comes back referred to a parliamentary committee. There may be better solutions. The mind of man runs to great solutions when he is under enough pressure, but personally I am prepared to accept this solution as one that reasonably meets the situation.

I also want to join with the minister, as I have on other occasions, in his tribute to the representation commissioner. I think the House of Commons is very fortunate in having the gentleman who has been named take over this office. Speaking personally, and for all my colleagues, in fact I am sure for all hon. members, I think it augurs well for this bill that we have a gentleman of his experience, ability, character, and tradition of elections and political pressures accepting this office.

As the minister says, there are two avenues which we could travel on this road. The former government of the Leader of the Opposition (right hon. Mr. Diefenbaker) brought forward a bill which proposed one commission. This present bill follows very closely the principles which we laid down, except that in place of one commission it proposes a commission for each province. Arguments can be made for either course.

The argument in favour of one commission is that you would have a higher degree of uniformity than by having ten separate commissions, and the principles applied in one province would have effect in all provinces, whereas with ten individual commissions you might have differences arising between the provinces. As against that you have the argument that one commission would take more time to carry out its work than ten commissions. Further, and this is both the strength and the weakness of the proposal, ten individual commissions will be able to apply their knowledge of the conditions in each province in bringing forward a report which would be perhaps more acceptable to an individual province than would be the case if there was only one general commission.

Against that you might have differences of approach, and differences in application of principles which would create confusion. The one guard against that is the fact that we have the representation commissioner on each of the ten commissions, and with his knowledge and experience we would probably get a high degree of uniformity in the commissions' application of principles. Though I would have preferred only one commission, I am not going to quarrel very strongly at this time with the proposal to have ten individual commissions.

There needs to be a great deal of explanation given in connection with this matter. We have had some misunderstanding in the house as to the effect of the bill and as to the effect of the British North America Act regarding the proportion of provincial seats. Unfortunately there will be a reduction in the membership of the house elected by some provinces, provinces which would naturally resent the fact that they are going to lose members. The province from which I come is going to lose one member. At one time in our history that province had a solid 18 Liberal members but that, of course, is a memory it would like to forget. Its membership will now be reduced to 11 and if the senatorial floor were to go, which one hon. member tried to remove the other day, its membership might go down to less than that in the future. In any event, there is a great deal of explanation which needs to be given when we discuss the bill in greater detail.

[Mr. Nowlan.]

I do not intend to deal with the principle of this measure any further at this time. I presume other hon. members will wish to speak briefly on the first clause. I agree with the minister that we should get on with the consideration of these clauses—not rapidly but giving them careful scrutiny—and I think the Canadian people will look upon the passage of this bill when it is finally passed, as I am sure it will be, with a great deal of pride and satisfaction.

There has been a good deal of complaint about this institution recently. Parliament it has been said, is going to the dogs. We have had commentators who could hardly find their way to the House of Commons if they arrived in Ottawa with a map and compass, pointing out to us the error of our ways. It is true we have had our difficulties—and we shall have them again. But this is what parliament is for. Most of these commentators forget that the word "parliament" is derived from the word "talk". It may be we talk too much—and perhaps I am doing that at this very moment—but we must never forget that members are sent here to express their views. When the time comes, it will be found that parliament gets along fairly well, and when members of the House of Commons are prepared to change the course which has been followed for a century as far as representation is concerned and leave the representation of their constituencies and the boundaries of those constituencies to be determined by an independent commission over which they would have no control, except to approve the findings or send them back for review in certain circumstances, I think it speaks well for the Canadian parliament and that the Canadian people can derive some satisfaction that we have achieved such a high degree of unanimity on this matter.

As far as we on this side are concerned, we will give full support to the general principle of the bill. We ourselves brought in a bill which, apart from the number of commissions envisaged, was almost the same as the measure now before us. This has been a fundamental principle with us for a long while, as it has been for the government, and I am glad to see that we have finally got the bill through second reading and are at the committee stage.

Mr. Knowles: Mr. Chairman, I should like to echo the sentiments of the hon. member for Digby-Annapolis-Kings. I do not often get the opportunity to be an echo to him, so when the opportunity does come I grab it.

I think it is fair to say that the attitude shown toward this legislation is a credit to the House of Commons. As the hon. gentleman has indicated, we do not often get

patted on the back by others, so perhaps it will not do any harm if we pat ourselves on the back today. The fact is that we are dealing with a subject matter which for nine decades or more has been a most explosive one. I suppose few issues have generated as much ill-will in parliament as has the question of the redistribution of the seats in the House of Commons. For it now to be clear that we are capable, with the concurrence of all parties, of approving a bill which refers this matter to a group of independent people is, as I say, a credit to parliament.

It is true it ought to have been done long ago. As the Minister of Transport has pointed out, what we are dealing with here at this time is not the seats of particular members who happen to be here but the representation of the Canadian people. This way of doing it is a proper way, and I am sure we are all glad we have reached this red letter day in our history. As the previous speaker has said, there will be differences over some of the details. I welcome the suggestion of the Minister of Transport that clause 13 be left until the others have been disposed of. Actually, my colleagues and I do not quarrel with the 20 per cent figure which is contained in that clause but I recognize it is a subject of contention, so let us dispose of all the matters we can agree on and then have the battle, if battle there must be, over that particular clause.

There are one or two other clauses concerning which we think amendments ought to be made, and in at least one case I have the necessary amendment ready. I should like to say one word to the hon. member for Digby-Annapolis-Kings by way of correcting a reference he made a short while ago. He intimated that Nova Scotia might soon be protected by the senatorial floor and he made a reference to someone—I gather it must have been to me—as wanting to remove that floor in an action taken a few days ago. I would remind the hon. gentleman that I did not seek to remove the floor at all. I may have tried to remove the Senate, but in the bill I put forward I retained the floors which the Senate now provides. In others words, I may have tried to do away with the cat but at least I tried to preserve the grin, and maybe that is what counts in this matter.

Mr. Nowlan: I think the baby would go out with the bath water.

Mr. Knowles: If it is only a grin that is left it could not swallow the baby, anyway.

Most of what needs to be said can be said on the various clauses. We join with members of all parties in the house in welcoming this opportunity for parliament to show its sense of responsibility toward this very important matter. There are details which remain to be considered, but the main point of what we are now doing is that we are making a decision to have the redistribution of constitutencies done by an independent body. This is a most welcome step.

Mr. Olson: There are only 30 or 40 seconds left until five o'clock. All I want to say is that we join with the hon. member for Digby-Annapolis-Kings and with the hon. member for Winnipeg North Centre in saying that the passage of this bill to set up this commission will indeed be a red letter day and a proud day for parliament.

I sincerely hope this parliament will show the same spirit and attitude toward the recommendations of the commission when they come back to us as has been shown here this afternoon.

May I call it five o'clock?

The Deputy Chairman: It being five o'clock and in order to permit the house to proceed to the consideration of private members' bills, shall I rise, report progress, and request leave to sit again?

Progress reported.

The Acting Speaker (Mr. Batten): It being five o'clock the house will now proceed to the consideration of private members' business as listed on today's order paper, namely notices of motions and public bills.

PENSIONS

SUGGESTION TO REDUCE QUALIFYING AGE

Mr. Barry Mather (New Westminster) moved:

That, in the opinion of this house, the government should consider the advisability of reducing the qualifying age for old age pensions, without a means test, to 67 years by 1967.

He said: I think the purpose of the proposal which stands in my name is so easily grasped that it is not necessary for me to devote any great length of time to outlining it. The intention is clearly outlined in the resolution which is now before us—to reduce the qualifying age for old age pensions, without a means test, to 67 years by 1967, that being of course our centenary year. As I put it, we are aiming at age 67 by 1967.

In my view there are two good reasons why this should be done, or at least why the principle of the resolution should be sent to an appropriate committee for study. In the first place I am sure it is well known to every hon. member in this house that there are many thousands of families across the country with senior citizens in the 65 to 70 years of age brackets, who do not have quite enough to live on and who have a little

bit too much to die on. In effect, they have to eke out their existence until—if they survive—the age of 70, and then can qualify for a pension without the means test.

On that point I am encouraged to note, particularly in the last few days, that the department of health and welfare, in its outline of the proposals of the Canada pension plan as they may affect the flat rate pensions which now exist, says that it is the intention of the government to make the pension available in time to come at any age between 65 and 70 on what is called an actuarially reduced basis. If taken at age 65 the amount, I understand, is to be $51 a month. For those who choose to receive old age security on the actuarially reduced basis prior to age 70 there will be no means test. If this proposal is carried out I think it will be a worth-while, progressive social step. However, had that provision or anything like it been put into effect in years gone by, how many tragic homes would have been saved from the poverty stricken conditions which exist in them today due to the existing regulations, which condemn people to live until 70 before they can qualify without a means test to receive the $75 a month pension?

The resolution before the house, as we have heard, proposes that by our Canadian centennial year, 1967, which is only 33 or 32 months away now, we as a people should be prepared to pay the maximum pension of, say, $75 a month to all Canadians at age 67, which is in effect going a little more than half way between the ages of 65 and 70. This will, as I said, be taking a progressive step to aid in the comfort and security of our senior citizens.

Hon. members might be interested to know how many citizens would be affected if this were done. The last census figures I have for June 1, 1963 show that there are 99,000 Canadians aged 67, that there are 95,000 aged 68 and 91,000 aged 69. These are round figures. There is a total of approximately 286,000 in the age groups I seek to have pensioned at $75 a month. Of that total it is estimated that about one fifth are already on pension. The over-all percentage is 21 per cent for the age group 65 to 70. The percentage of those on pension gradually increases, of course, with age. In broad terms there are something like 200,000 senior citizens in the bracket which would be benefited by the no-means-test pensionable age of 67 by 1967.

It is my opinion there is even greater need to reduce the qualifying age of the pension and to increase the amount of the pension itself. Thousands of our older people are in effect eating their homes, which in many cases constitute their sole wealth and their sole bar to pensions. It is a question which is sometimes resolved in favour of death and sometimes in favour of pensions. In the meantime, everything that we learn about automation and the material abundance which modern production is ready to shower upon us indicates that there is a greater need to find useful jobs for our middle aged workers, and again underlines the need for a progressive revision in the qualifying age for pensions.

It is worth considering, Mr. Speaker, that in almost all other lands the pension age is now lower than 70 years. That is so whether the country concerned has a universal pension, a contributory pension, one based on years of service, or a combination of those and including a means test. The principle of a lower retirement age has been established in most countries, regardless of the type of pension and other social legislation which they have. In Great Britain, for example, the pensionable age is now 60 for women and 65 for men with a means test. In Switzerland it is 63 with no means test. In New Zealand it is 60 with a means test. In Denmark it is 62 and 67 with no means test. In the United States it is 62 and 67 with a means test. In the U.S.S.R. it is 55 and 60 with no means test. Canada, ranking very high in the world's industrial production and national wealth, has a pension age too restrictive to meet modern circumstances.

Second, in urging that this resolution be passed or sent forward to a committee for study, I might say it is very timely in view of our approaching centennial celebrations. At that time, and as I say it is only a few months away, we will undoubtedly be doing many things and undertaking many projects and a large group of our citizens, including our young people, will be involved. Therefore I think it is very fitting that at that time we should also do something for our older people. I think the centennial gives us a very appropriate opportunity in this connection. It would be very timely in our history to make this gesture on behalf of our older people, who after all are responsible in so many cases and in so many ways for much of the wealth and well-being we have in Canada at the present time.

In taking my seat may I say to hon. members that if they cannot agree to come to a vote today on this measure I would very much appreciate, as I think would many thousands of the people in this country, the principle of this resolution being referred to an appropriate committee for study.

[*Translation*]

Mr. Auguste Choquette (Lotbiniere): Mr. Speaker, I can see that a reconciliation is taking place.

First, may I congratulate my hon. friend (Mr. Mather) who spoke before me, for his generous intention in introducing this resolution. However, in spite of the figures he quoted and the situation which prevails in the various countries that he mentioned in order to draw a parallel between the security system in Canada, I do not believe that, under the present circumstances, we ought to envy any other nation because, if there is a country where social legislation is well advanced, I think it is certainly Canada.

Mr. Speaker, there are some people—and I do not pretend to share necessarily their opinions—who are not much in favour of the universal pension plan, because they claim that many people who would be in receipt of a pension do not need it at all, and I really believe that at the present time we cannot claim that there are people so unfortunate that they cannot find the necessary subsistence.

I realize that our social security system is especially concerned with old age security, and the efforts to set up a pension plan in this country, efforts which continue—one has only to refer to the statement made yesterday by the Prime Minister—are precisely aimed at solving the particular problem mentioned by my hon. friend.

The Canada pension plan provides for standard old age security allowances for 65 year old people. However, besides that, an allowance related to the gain should be provided, and the Canada pension plan has been designed to include this supplementary allowance. One has only to consider briefly the results of such a scheme to see how a participant can take advantage of it, if he decides to retire at age 67.

If his average contributory gains entitle him to a pension of $100, first he is eligible to the pension related to the $20 gain, to which $61 are added for old age security, which gives him a total pension of $81 per month.

In the case of an older citizen who wishes to retire, if his average income is $200, his pension based on his taxable income will be $40, plus $61, so that he will receive a total of $101 as old age security pension—and this is in the case of a 67 year old retired citizen.

On the other hand, if such a citizen has average monthly earnings of $300, he will be entitled to a pension based on those earnings amounting to $60. This person will thus receive total pension of $121, in view of the monthly amount of $61 that must be added as old age security payment and, here again, this is in the case of a 67 year old pensioner. One could keep on this subject—

Mr. Rondeau: Mr. Speaker, when the hon. member quotes those figures, does he mean the provincial pension plan of Quebec or the Ottawa plan?

Mr. Choquette: Mr. Speaker, the pension plan I am speaking of is the national pension plan of Canada. My hon. friend, having heard the Prime Minister's statement must know that negotiations are now under way to carry out that national pension plan.

Mr. Speaker, to prove to the mover of this resolution that this pension plan more particularly aims at helping the people of the 65 to 70 age group—and I shall more particularly discuss the case of those of age 67, because this resolution would grant a pension to people of 67—I shall say that, if the contributor had a wife the same age as himself, that is 67 years, the combined monthly pension would be increased by another amount of $61. Thus, the old age security pension for the wife and the combined amounts of the monthly pension which I just mentioned would amount to $142, that is $60 plus $82, and $197 respectively. The benefits paid to a 67 year old person would therefore be much more generous, under the proposed plan, than if the people of 67 were only to receive the $75 old age security pension.

Mr. Speaker, I mentioned a moment ago the statements of the right hon. Prime Minister, who said that the government was studying the details of a pension plan which the government of the province of Quebec intends to submit on a provincial basis. Without waiving the principles on which the Canada pension plan is to be based, the federal government can consider the opportunity of making a few changes in its pension plan which would ensure that, once passed, it would be the same for the whole of Canada, which is obviously desirable.

Mr. Speaker, it would be interesting to quote a few figures to show to what extent the old age security system has evolved in this country. If we consider the number of pensioners aged 70 or over, there are in Canada, 971,123 beneficiaries which represents an expenditure of about $885 million. As far as old age assistance is concerned, that is the help granted to indigent people in the 65 to 69 age group, there are 105,000 beneficiaries, which means an expenditure of $20 million for the federal government as well as for the province, as it is a joint plan where each government contributes an equal share. Therefore, we can say that 105,000 Canadian citizens get this old age assistance provided for those who are 65 years of age.

Mr. Speaker, in the field of social security, the government does all in its power to help

those in need and to give the minimum required to all citizens. I said and I repeat, without any shortsighted partisanship, that anyone sitting on this side of the house can be proud that he stands for a political philosophy which provided for the setting up of the finest social security system one would find. When the national pension plan comes into force—I know it is the deep desire of any hon. member that this plan should have national scope—it will be a crowning piece of which any Canadian can indeed be proud.

Mr. Remi Paul (Berthier-Maskinonge-Delanaudiere): Mr. Speaker, we must commend the hon. member for New Westminster (Mr. Mather) for the resolution he brought before the house, which provides us with an opportunity to state a point of view which I think is shared by all hon. members.

When I heard the hon. member for Lotbiniere praise this government without any reservation, I looked back to the amendment moved by the official opposition, to grant a $10 raise to our senior citizens, starting April 8. Well, the hon. member for Lotbiniere voted against that proposal.

Such is not the case with the resolution now before us, because the hon. member for New Westminster introduced a motion to the effect that the house should consider the opportunity to grant an old age pension to any person having reached the age of 67. It goes without saying that our senior citizens, considering their contribution to the development of our economic resources, for the greatness and the prosperity of Canada, are expecting, and rightly so, a generous treatment from the federal government.

But, on the other hand, I feel we should not think only of older people but also of those who are not yet old enough to be entitled to the old age pension. Even if the principle set forth by the hon. member for New Westminster is acceptable to all members, we still must not forget that those who are in need and between 65 and 69 years old can receive the old age assistance pension.

Today, because of mechanization or automation, people 60 years of age and over find it rather difficult to get a job. Now, would it not be better if the government, instead of paying a universal old age pension to all persons 67 years of age, would spend that money on those who are 62 years old and in need, so that the maximum or minimum age at which a person is entitled to an old age assistance pension could be reduced by two or three years? There is another point to consider, and it is the difference between the old age security or assistance pensions received by married couples and unmarried persons. If the husband and wife are both

70 or over, they actually get $150 a month. This amount enables them to meet the bare necessities of life.

On the other hand, a widow or an unmarried person only gets the $75 now provided under the act. This is not enough, because the expenses for rent, heating and essential requirements have soon taken up all this sum which is really inadequate for a person living alone. Therefore, I wonder whether the government, through social legislation, should not consider providing more assistance to those people, as the Quebec government has done. As a matter of fact, the Quebec government presented a social security measure whereby widows and single persons 60 years old or over would receive an old age pension of $75 a month, effective April 1. The situation of those people should retain the attention of all hon. members.

A moment ago, the hon. member for Lotbiniere (Mr. Choquette) spoke enthusiastically about the national pension plan. Everybody shares his opinion, but the Canadian people and hon. members are anxious to know when the government will come forward with a definite pension plan since, during the past two weeks, the government withdrew twice. And again this afternoon, the premier of Ontario stated in the Ontario legislative assembly that the Prime Minister of Canada had asked him, and the request had also been made to Quebec, to reconsider the possibility of adhering to a new pension plan likely to satisfy most of the requirements of the Canadian people.

No doubt, all those provisions will some day apply throughout Canada, and at that time, we will perhaps have to give some thought to this social security system which should be extended to the most needy people who would not be able to benefit from this new provision if they exceed the age limit provided for in the act.

If the hon. member for New Westminster is to be commended for introducing this motion, we must consider his comments and try to find a means of analysing the needs of the various classes of society, of those who have reached retirement age, so that we may offer to the rest of the world the example of a country which has devised a social legislation that will meet the needs of all classes of society.

[*Text*]

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, first I should like to offer my congratulations to the hon. member for New Westminster (Mr. Mather) on introducing this motion. I think it is fair to say it is very short, clear, simple and in a very few words states exactly what the intent is. As

far as this party is concerned, we would hope that this kind of motion would be supported for several reasons.

I believe that if it were accepted and the government did in fact change the old age security qualifications by reducing the age to 67 it might in fact be an economic asset to the country, rather than costing money. I say that for this reason. Every year for the past number of years we have had an unemployment problem in the country and a large number of those on the unemployment rolls, to whom we must make payments through the unemployment insurance commission, are younger people just entering the labour market. So, Mr. Speaker, while we agree that the age limit could and should be lowered and that the means test should be removed, we think there is perhaps some merit in suggesting that one qualification should remain, namely that persons in this age group be retired. At the present time we know that there are two considerations so far as the means test is concerned. One is income and the other is assets. I have no objection at all to removing any consideration of the assets a senior citizen may have acquired in his lifetime from what is now considered to be the means test.

However, I think it would be well to retain as a qualification for receiving this pension that the applicant be retired. This would, of course, open up additional opportunities for the younger people to move into the labour market. I am thankful to the hon. member for New Westminster (Mr. Mather) for providing us with statistics. He said there were something like 286,000 Canadians in this age group. I do not believe there is any way of knowing, at least the hon. member did not provide us with this information, how many of the people in this age group are today holding jobs. If these people were eligible for pension when they retired, these jobs would become available to younger Canadians. Surely every hon. member in this house would agree that it is far better to have a large number of people at the upper end of an age group receiving a pension than to have those people at the lower end of the age group receiving unemployment insurance benefits.

Now, Mr. Speaker, I have long disagreed with some of the provisions in this means test. As the hon. member for New Westminster pointed out, the people who are subject to it are required to dispose of all their assets, their homes and everything accumulated during a lifetime before they become eligible for a pension. I know on a number of occasions I have had to advise senior citizens in my own constituency who had reached the age of 65, who did not have a job but were not eligible for old age assistance because of the means test, to dispose of their assets for living expenses. I assured them, of course, that after they had reduced those assets to a certain figure they would then become eligible for this payment. It is very difficult to convince elderly people to dispose of their home and spend the last few dollars in their bank account. It is difficult to convince them they should dispose of a farm, for example, and everything they have saved for their old age. In many cases these people on farms have actually retired, but they do have these few assets and the only way in which they can qualify is to dispose of these assets. I feel this is wrong.

If this motion is not going to be accepted in its entirety, Mr. Speaker, and I do believe it is a very reasonable motion because it only reduces the age limit by three years, some very real and important changes should be made in the means test. One other thing that is important to people in this age group is the medical card which is provided by some of the provinces. I certainly urge that some arrangement be made between the federal department of health and welfare and the provincial authorities responsible so that something can be done to make sure these senior citizens get a medical card. Many of the people with whom I have discussed this question are not nearly as interested in the few dollars they may be able to get under old age assistance as they are in the security that comes from having a medical card they can present to a doctor in the event they become ill. Perhaps some consideration, therefore, could be given to this question at the same time.

These are all the remarks I want to make at this time. I hope this matter comes to a vote so that we can at least obtain the consensus of the house, and I can congratulate the hon. member for New Westminster upon raising this question.

[*Translation*]

Mr. Lucien Plourde (Quebec West): Mr. Speaker, it is a pleasure for me to say a few words about this motion.

I am pleased that we are asked to examine a measure whose purpose is to help our senior citizens. However, I would have preferred that the mover provide for pensions at the age of 65 instead of 67. I feel that the government should consider the possibility of introducing before 1967 some legislation in favour of the aged.

First of all, we could find some means of setting up a pension which would be paid to those who have reached a reasonable age, while they are still alive and not too close to the grave, to enable them to spend their last days on earth under decent conditions.

Suggested Reduction of Pension Age

Moreover, we could give them an adequate amount to meet their needs, without fear of spoiling them; we could provide them with free medical and dental care, free transportation on trains, and other services, in order that our senior citizens who toiled and moiled to develop the country would be able to end their days with a modicum of comfort.

The motion says:

—without a means test—

This is a very important point because, without that, we would be unfair to those who succeeded with great difficulty in saving up a few dollars for their old age.

Mr. Speaker, on the occasion of the centennial we will celebrate shortly, I feel that the government should also think about another group of older people, those between 55 and 65. The government should do something for those people who, for one reason or another, cannot get a pension now and are unable to earn a living because of their physical condition.

Under the present plan, they are too young to get the old age pension and not disabled enough, under the law, to get the pension for the disabled. But those older citizens urgently need a pension just the same because of their poor health. In fact, do you know that a 50 year old man is sometimes in poorer shape than a 65 year old man in perfect health? Many factors are involved and the government should take them into account.

I urge the government to look after the welfare of those people and I trust that it will. There still remain a few years to improve the condition of those aged people, who are entitled to our respect and for whom we must do something on the occasion of the centennial of confederation. Through their work and intelligence, they have contributed to the development of this Canada in which we live and which we want to improve constantly in order to make it a truly wonderful country.

[*Text*]

Mr. Lloyd Francis (Carleton): Mr. Speaker, I think that the intent of the mover of this motion, as the hon. member for Medicine Hat (Mr. Olson) stated, is quite clear. However, I think that this motion as a good illustration of some of the general problems of private members' motions in relation to the conduct of the business of the house.

The mover has asked that the subject matter should be sent to a committee. The house has before it a piece of legislation to which it has given first reading, the Canada pension plan, which very specifically deals with retirement age. Listening to the remarks of the hon. member who moved the motion, it was not clear to me which legislation should be specifically amended for the purpose he has in mind. Did he have in mind the reduction of the age under the federal Old Age Security Act, which is the pension now payable to all after they reach their 70th birthday? Is this the specific legislation he seeks to amend? If so, the Canada pension legislation will amend this legislation, specifically with regard to retirement age.

Mr. Barnett: Is the hon. member aware of the fact that this motion was on the order paper before we knew we were going to have a Canada pension plan?

Mr. Francis: I am perfectly aware of the timing of the resolution, but I am calling the attention of hon. members to the fact that the house has to deal in an orderly way with the business put before it. I would have thought, after a piece of government legislation had been laid before the house specifically dealing with the subject matter of this resolution, the mover of the resolution might have withdrawn it, or might have deferred seeking consideration of it until the house was in committee dealing with the Canada pension plan legislation.

If the government had not taken any initiative on this matter and had not presented any legislation to the house, then the hon. member would have been correct in presenting a private member's motion on the matter.

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

Mr. Francis: Certainly.

Mr. Knowles: In view of the fact that the government's pension legislation is presently being reviewed, so that we are in the dark as to what may come up, does he not think it a good idea to have a suggestion of this kind put forward at this time for consideration?

Mr. Francis: I thank the hon. member for his question because his questions are usually informative, but may I suggest the next implication of such a resolution is that it should not be implemented by unilateral action of this house. It should be the subject of discussion between the federal and provincial authorities, the very kind of discussion which I presume is taking place now, and which has taken place in recent months.

If the experience of the house on social legislation under our constitution means anything, and it must, I would have preferred the wording of a resolution which would have said something to the effect that the government should initiate discussions with the provincial authorities for appropriate amendments to the legislation now in force. This is not the wording of the resolution before us, and the adoption of this resolution would not

only have implications for the old age security scheme but for the federal old age assistance program, which should be discussed with the provincial authorities.

Mr. Knowles: Is the hon. member not aware of the fact that anything now in existence without a means test is purely federal, and that the provinces do not come into anything without a means test?

Mr. Francis: I see I am going to have to spell this out in a little more detail for the hon. member for Winnipeg North Centre (Mr. Knowles). There is a piece of legislation which deals with pensions on a means test basis between the ages of 65 and 70 years, and the adoption of a pension program without a means test after the 67th birthday would certainly have an implication for the existing program of old age security benefits, and at the very least would call for discussions with the provincial authorities. I do not think the hon. member would contend otherwise. I would be surprised if he did.

Mr. Olson: May I ask the hon. member a question. If he reads the motion on the order paper he will see it says "should consider the advisability." Surely that must answer all the objections he raises so far as consultation with the provinces is concerned, because it would naturally be expected that would be part of the consideration of advisability.

Mr. Francis: Again, I am following the discussion which was so ably initiated during private members' hour yesterday by a colleague of the mover of this resolution, who raised the fundamental of the functions of private members' hour. I contend that, at this stage, when there is legislation before the house which deals very specifically with the point raised here, it is not a wise contribution to put the house through this form of discussion, which duplicates the work already being done.

My contention is that if the mover of the motion feels this is the most appropriate form of action, then I suggest to him he has an alternative, and I refer him to the Canada pension bill, No. C-75, which has already been given first reading. Clause 33 of that bill says:

> Subject to this part, for each month commencing as described in section 43,
> (a) an earnings-related pension shall be paid to a contributor who
> (i) has reached 65 years of age and is retired from regular employment, or
> (ii) has reached 70 years of age;

That is the point at which the appropriate amendment could be put in specific terms before the house, and I think this would be a more appropriate form of action for the hon. member moving the motion.

Suggested Reduction of Pension Age

There are two or three other basic questions which give me some concern. I have listened in the house to other motions presented by the hon. member and some of his colleagues, motions for which I have had a great deal of sympathy. They have related to the including of such things as mental and t.b. institutions under the Hospital Insurance and Diagnostic Services Act. I have listened to a large number of other resolutions, all of which would have the effect of causing very important expenditures in terms of money. I am aware that money is not the only means by which we judge these matters but, by the arithmetic of the hon. member who introduced this motion, 99,000 persons age 67, as well as 95,000 persons aged 68, and 92,000 persons aged 69, a total of 286,000 persons come into this category.

He estimated that under the old age assistance program approximately 21 per cent of those within the ages 65 to 69 years are currently drawing the means test benefit, and he boosted his estimate to say that something like 200,000 additional persons would be eligible for pension as the result of the adoption of his motion. This would cost something like $180 million a year, at $900 a year per person, and it must be remembered that we have the problem of priorities in the expenditure of public funds.

The mover of the motion contended that there was a great deal of hardship, as no doubt there is. There are many families who are too proud to apply for the means test benefit. He is putting forward his proposal that we should extend the federal pension without test of means, without test of retirement, on this basis, and that presumably priority should be given to this action over many other worthy social measures currently before the house.

I admit the hon. member for Medicine Hat (Mr. Olson) does not quite agree with this. If I understood him correctly, he said the retirement test would be a legitimate means of restricting some of the persons in these age groups who have accumulated fairly substantial personal resources in the course of their lives. He also seemed to feel that the purpose of a pension should be to aid employment opportunities for people in the younger age groups, and not to keep older people in jobs while at the same time they are drawing pensions. This is what I understood to be the purport of his remarks. He would differ with the resolution as it is presented to us, by agreeing generally to the kind of retirement test which I understand is incorporated in the Canada pension plan.

Again, we must go back to the whole question of what we are trying to do on an age basis with respect to universal retirement.

The hon. member who introduced this motion might well have presented to us some of the reasons for his selection of the age year 67. The only reason, I gather from his remarks, was that it lends itself to a slogan—"67 for 1967". I wonder if that is really good enough to justify the choice of the base year for retirement benefit. According to statistics which are increasingly available, we can anticipate a continuing increase in the life span. We also hope there will continue to be high levels of employment in Canada and that we shall need the services of as many people as can be properly given employment, realizing that it may well be in the best interests of the health and peace of mind of our senior citizens that they should continue to be employed. In short, we must judge the retirement age on some rational basis. It must be related to the state of health of people in their older years, the life expectancy, employment practice, and so on.

One of the problems we shall have to consider more seriously than we have done so far, is what provision shall be made in our society for the increasing number of people who are able to retire, especially if we incorporate, with their pension provision, compulsory retirement tests. It is of course very nice to retire. I am sure many of us think that when we retire, if we have the resources to do so, we shall be enjoying a pleasant state of affairs. But in terms of public policy and the evidence we have from those who make it their business to study the problems of older people, I think the conclusion is generally held that there is such a thing as an optimum age which we should consider as a basis for our pension program.

It is perfectly clear that many people wish, for good reason, to retire at an earlier age than 67. How far should we extend the operation? How far, and with what financial inducement, should we make it possible for these choices to be made? How far should public policy go in exercising a degree of compulsion through such devices as retirement tests, and what should be done to provide facilities for keeping older people in good health and engaged in useful activity after retirement? What program should we develop along these lines?

I have the feeling that while this is a most desirable resolution, there are other factors to be considered. As my colleague from Renfrew South (Mr. Greene) used to say, supporting it is equivalent to being against sin. No one can object in principle. However, I think we must consider such other factors as priorities in the budget, and the sum of money involved in adopting a principle of universal payments without restriction through means tests. We have to weigh this expenditure against the cost of other things we would like to bring in by way of welfare measures, and there are many such measures which I think the house would wish to consider. For example, we have extended family allowances in respect of children in school. We plan to spend a lot more money in encouraging young people to choose and fit themselves for careers. More money is to be spent on the development of research, generally, in Canada. All these things are claims on our national income. So we would have to consider very carefully how far we should go in reducing the universal retirement age and bringing in measures which would encourage general universal retirement at an age when men and women are still in good health, and taking them away from activities which may well be an explanation of the levels of health and activity which they enjoy.

One last comment I should like to make relates to what was said by the hon. member for Medicine Hat (Mr. Olson). He referred to measures which he hoped would be forthcoming to encourage the provision of what he called medical cards. Certainly the problem of adequate health services for people in these higher age groups is one which should command high priority. Many provinces, particularly in western Canada, have shown a commendable concern for the development of health services through publicly supported means, by agreement in most cases with the medical profession. In the case of Saskatchewan, I believe this scheme is directly administered by the province. Without question this is one of the fields which should be examined as part of any general examination of matters relating to the retirement age.

I, for one, put a higher priority on the provision of a fund which would give every province in Canada encouragement to enter into agreements with the medical profession which would provide adequate medical care for men and women in these age groups, many of whom are barely self-supporting but who are not self-supporting when an additional burden of ill health is thrown upon them, than I would on the particular motion before us. The recommendation made by the hon. member is something which will, no doubt, come about as we gradually develop the earnings-related pension benefit plans, which I am sure are part of the unfolding picture in Canada today.

May I call it six o'clock?

The Acting Speaker (Mr. Batten): It being six o'clock, the hour for the consideration of private members' business has expired.

BUSINESS OF THE HOUSE

Mr. Nowlan: May I inquire of the acting leader of the house what business we shall be dealing with tomorrow and the rest of the week?

Mr. MacNaught: Tomorrow we shall continue with the committee stage of the boundaries bill and, if it is finished, we shall proceed then to the third reading of that bill. Last night I announced we would take up the resolution preceding the Post Office Act amendment. If that is finished tomorrow, on Friday we would proceed with the second reading stage of that measure and then to the budget resolutions, and on Monday a motion to go into supply.

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

HOUSE OF COMMONS

Thursday, April 16, 1964

The house met at 2.30 p.m.

HER MAJESTY THE QUEEN

ACKNOWLEDGEMENT OF ADDRESS ON BIRTH OF THIRD SON

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, a message from Her Majesty the Queen signed by her own hand, which has been transmitted to me by His Excellency the Governor General.

Mr. Speaker:

The address which you have sent to me and which conveys your congratulations to myself and to my husband on the birth of our third son has given me very great pleasure and on this happy occasion we both deeply appreciate the kind sentiments and good wishes which you have expressed.

Elizabeth R.

7th April, 1964

TRADE

TABLING OF EXCHANGE OF LETTERS RESPECTING U.K. CEREAL IMPORT POLICIES

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, on March 19 and on earlier occasions I have informed the house of the discussions that have been taking place with the British government concerning their proposed new cereals policies. Hon. Lionel Chevrier, Canadian high commissioner in London, yesterday signed on behalf of the government of Canada an exchange of letters constituting an agreement between the Canadian government and the government of the United Kingdom concerning Britain's new production and import policies with respect to cereals. I ask leave of the house to table the text of this exchange of letters and supporting documents.

Mr. Speaker: Does the house grant leave?

Some hon. Members: Agreed.

Mr. Sharp: Similar agreements have been concluded between Britain and its other principal overseas cereal suppliers, Argentina, Australia and the United States. I regard these arrangements as constructive and helpful. I am confident they will strengthen trade in cereals between Canada and Britain, and that they can contribute to the working out of broader cereals arrangements of an international character. These arrangements with the British and with their other principal overseas cereal suppliers were worked out in a spirit of close co-operation and understanding.

These arrangements are complex. I am reluctant to take the time of the house to comment on them at this time, although I am prepared to do so. Instead, Mr. Speaker, I have prepared an explanatory memorandum and I would ask the consent of the house to have it printed as an appendix to today's *Hansard* to assist hon. members in their study of the agreement.

Mr. Speaker: Does the house give consent?

Hon. George C. Nowlan (Digby-Annapolis-Kings): Mr. Speaker, ordinarily in a matter of this importance we would expect the minister to make a statement. However, I quite appreciate that the matter is highly technical and I presume that any statement he might make would not be brief. I think it would be helpful to the house if the minister had leave, without creating a precedent, to table this statement at this time. Then hon. members would have an opportunity of studying it and at a later date could ask questions in the house dealing with it.

Mr. Speaker: Does the house agree?

Some hon. Members: Agreed.

[*Editor's note: For text of statement referred to above, see appendix.*]

OLD AGE SECURITY

QUEBEC—REQUEST FOR PROVINCIAL JURISDICTION

On the orders of the day:

[*Translation*]

Hon. Leon Balcer (Three Rivers): Mr. Speaker, I should like to direct a question to the Prime Minister.

Did the Prime Minister receive a request from the Quebec government, at the federal-provincial conference or since then, to the effect that it be handed over the whole administration of the Old Age Security Act, as far as the province of Quebec itself is concerned?

Could the Prime Minister also tell me what compensation the Quebec government is asking to take over that administration?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): No such request has been received.

Inquiries of the Ministry

EXTERNAL AFFAIRS

CYPRUS—REPORTED ACTION IN SELF DEFENCE BY CANADIAN TROOPS

On the orders of the day:

Hon. George C. Nowlan (Digby-Annapolis-Kings): Mr. Speaker, I should like to direct a question to the Prime Minister or the Secretary of State for External Affairs with regard to a report concerning action taken by Canadian troops in the United Nations force in Cyprus. I should like to ask whether the action taken by Major Tremblay, who said he had to take this action in self defence, was in keeping with instructions from the Canadian government. Was the government consulted; and if the instructions issued by the United Nations do not permit such action being taken, could they be amended so such action could be taken without violation of instructions?

Hon. Paul Martin (Secretary of State for External Affairs): Whatever action was reported as having been taken by the Canadian contingent participating in the force would be pursuant to the relations between the Canadian contingent and the commander of the United Nations force. Canada does not give direct instructions to the Canadian contingent. These are given by the commander of the force, who in turn is responsible to the United Nations. The action purported to have been taken is consistent with the instructions laid down by the secretary general.

SOUTH VIET NAM—REQUEST FOR STATEMENT ON SITUATION

On the orders of the day:

Mr. Barry Mather (New Westminster): I wish to direct a question to the Secretary of State for External Affairs, bearing in mind reports today of what appears to be the increasing gravity of the military situation in South Viet Nam. I wonder whether the minister would consider informing the house of the situation there, as well as Canada's involvement in United States policy.

Hon. Paul Martin (Secretary of State for External Affairs): As I said the other day, the military situation in South Viet Nam has for some time been of concern to Canada as a member of the supervisory and control commission in South Viet Nam. However, it is not clear to me what the hon. member means when he speaks of a developing crisis or of Canadian involvement in United States strategy. I would simply say, we are not in any way involved in the sense of the implication of the question.

[Mr. Pearson.]

PENSIONS

CANADA PLAN—REQUEST FOR STATEMENT ON NEGOTIATIONS WITH PROVINCES

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to ask the Prime Minister if he is yet in a position to make a statement to the house with regard to the negotiations with certain provinces about the Canada pension plan. If not, does he hope to be able to make that statement tomorrow?

Right Hon. L. B. Pearson (Prime Minister): Yesterday I said I hoped to be in a position to make that statement in a day or two. I expect to be in a position to make it not later than Monday of next week.

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to put a supplementary question to the Prime Minister.

Does the Prime Minister inform the federal Minister of National Health and Welfare of the decisions he makes following his negotiations with Mr. Lesage concerning changes to be brought to the Canada pension plan?

[*Text*]

Mr. Speaker: Order, please.

[*Later:*]

Hon. George C. Nowlan (Digby-Annapolis-Kings): Mr. Speaker, may I direct a question to the right hon. Prime Minister. Is the government considering holding a constitutional conference representing all the provinces so as to discuss, and if possible agree upon, amendments to the British North America Act which will permit the Canada pension plan to embody benefits which now are limited only to the provinces?

Mr. Pearson: Mr. Speaker, I would hope that can perhaps be done without the kind of full scale constitutional conference to which the hon. member refers; but I hope that in my statement on Monday I will be able to throw some light on this.

Mr. Nowlan: Thank you.

INCOME TAX

QUEBEC—REQUEST FOR INVESTIGATION INTO BEHAVIOUR OF OFFICIALS

On the orders of the day:

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I should like to put a question to the Minister of National Revenue.

Since the incidents which occurred last year at the Quebec city income tax office seem to be happening again this year, could the minister order an investigation in that office concerning the work of income tax inspectors and assessors?

[*Text*]

Mr. Speaker: Order, please. It seems to me that this question was asked during the last session, and in spite of its importance I do not believe it is sufficiently urgent to ask at this time. If the hon. member would put it on the order paper I am sure he would get an answer.

[*Translation*]

Mr. Gregoire: Mr. Speaker, it is true that this question has been asked on several occasions last year. However, the situation is not the same this year due to certain circumstances. Since the same thing is happening and that we keep getting a great number of letters in this connection, I wonder whether the minister could not tell us at least if he intends to conduct an investigation into the matter. I feel that this problem is very urgent, because the fiscal year has just ended.

[*Text*]

Hon. G. J. McIlraith (President of the Privy Council): Mr. Speaker, I shall be glad to take this question as notice. It is obviously a question that cannot be answered without notice.

[*Translation*]

Mr. Gregoire: Then, could the minister consider the question as notice and give me an answer tomorrow?

[*Text*]

VETERANS AFFAIRS

POSSIBLE TRANSFER OF HOSPITALS FROM FEDERAL CONTROL

On the orders of the day:

Hon. D. S. Harkness (Calgary North): Mr. Speaker, I should like to direct a question to the Minister of Veterans Affairs. Is the minister in a position to inform the house of the outcome of the talks which were being held with the Alberta provincial authorities in connection with the Colonel Belcher hospital in Calgary?

Hon. Roger Teillet (Minister of Veterans Affairs): No. Unfortunately, Mr. Speaker, I am not yet in a position to report to the house on that matter, but I am hoping I will be able to do so before too long. I think the hon. member will appreciate that there are many details which have to be looked into. There is nothing new to report at the moment.

Mr. Harkness: As a supplementary question, could the minister assure the house that before any final arrangement is made in connection with this matter, the veterans organizations, particularly those in Calgary, will be taken into consultation?

Mr. Teillet: Mr. Speaker, I can certainly give my hon. friend that assurance.

Mr. R. W. Prittie (Burnaby-Richmond): As a supplementary question, would the minister use the occasion of his attendance at the annual convention of the Canadian Legion to make a statement clarifying the position of veterans hospitals?

Mr. Teillet: That is certainly my hope, Mr. Speaker.

[*Later:*]

Mr. Terry Nugent (Edmonton-Strathcona): My question is supplementary to a previous question asked by the hon. member for Burnaby-Coquitlam, and I wish to direct it to the Minister of Veterans Affairs. The hon. gentleman said he intended to make a statement in clarification of government policy regarding veterans hospitals. Is my correct understanding that he intends to make this statement at a Legion convention rather than in the House of Commons?

Mr. Teillet: I do not know what the purpose of that question may be, but I have said before in this house that the question of clarification is a difficult one because I have to deal with each case on its own merits. It would only be when I had a clearcut case before me that a situation could arise to which the hon. member's thinking would apply. This is what I hope to be able to do, and it was in that context that I answered the previous question.

Hon. Gordon Churchill (Winnipeg South Centre): Would the hon. gentleman inform us what answer he has given to a telegram sent to him from the Royal Canadian Legion in Calgary, which reads as follows:

> Number one branch of the Royal Canadian Legion expresses strongest possible opposition to proposed Belcher hospital solution. Unable to see logic of this policy when veterans are presently being denied admission.

What answer has been given to this telegram?

Mr. Teillet: I do not have the answer to the telegram before me. I would be glad to look it up and report.

UNEMPLOYMENT INSURANCE

INQUIRY AS TO NUMBER OF RECIPIENTS

On the orders of the day:

Hon. Theogene Ricard (St. Hyacinthe-Bagot): In the absence of the Minister of Labour, Mr. Speaker, I would like to direct a

question to his parliamentary secretary. According to the latest d.b.s. figures there are 456,000 Canadians unemployed. Could the parliamentary secretary tell us how many Canadians are taking advantage of the unemployment insurance fund at present?

Mr. Speaker: Order, please. Surely this is a question requiring detailed information which the parliamentary secretary may or may not have at the moment. I suggest that it be placed on the order paper.

CANADIAN CONFEDERATION

SUGGESTED REARRANGEMENT INTO FIVE PROVINCES INSTEAD OF TEN

On the orders of the day:

Hon. Leon Balcer (Three Rivers): Mr. Speaker, I would like to ask a question of the Prime Minister. Could he tell the house whether his government is going to support the suggestion of the premier of British Columbia that a new territorial definition of the provinces should be made in Canada, so that instead of ten provinces we would only have five?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, this is a very important suggestion into which I would not care to go at the moment.

HOUSE OF COMMONS

RIGHT OF MEMBER TO CRITICIZE PUBLIC SERVANT

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to direct a question to the Solicitor General, who is the acting house leader. Does the hon. gentleman consider it unconstitutional for a member of parliament to criticize a public servant in the House of Commons?

Hon. J. Watson MacNaught (Solicitor General): Mr. Speaker, neither the Minister of Justice nor myself, under the constitution, can give an opinion of that nature.

COMPLETION OF TRANSLATION OF BEAUCHESNE

On the orders of the day:

[*Translation*]

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, I would like to answer a question asked by the hon. member for Lapointe (Mr. Gregoire) about the translation of Beauchesne's. I am pleased to tell him that the work has been completed and the text sent to the publishers. It is expected that the proofs can be corrected within the next few weeks and that the work will be published in June or early July.

[*Text*]

Some hon. Members: Hear, hear.

SHIPPING

APPRAISAL BY INTERNATIONAL JOINT COMMISSION ON GREAT LAKES WATER LEVELS

On the orders of the day:

Mr. P. V. Noble (Grey North): Mr. Speaker, I would like to direct a question to the Secretary of State for External Affairs. Will the minister table the appraisal made by the international joint commission on the situation as to water levels in the great lakes, recently forwarded to the government by the commission?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I would be very glad to take that into consideration.

AGRICULTURE

STEPS TO IMPROVE POSITION OF EASTERN FARMERS

On the orders of the day:

[*Translation*]

Mr. Raymond Langlois (Megantic): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. Can he tell the house what steps he intends to take, in conjunction with the provincial government, to solve the problems of eastern farmers who are now in a deplorable economic stagnation?

[*Text*]

Mr. Speaker: Order. I think this is a wide, broad, general question to which perhaps the minister may have the answer, but I very much doubt if he could give a detailed answer at this time on such a wide question.

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, I would like to say we are working on it.

[*Later:*]

Mr. Langlois: Mr. Speaker, I should like to direct a question to the Minister of Agriculture once again. My last question was pretty wide in scope, but the malaise existing in the eastern provinces is also pretty wide in scope. Has the government any announcement to make to the house with regard to what it intends to do to raise the low incomes of all eastern farmers?

Mr. Hays: Mr. Speaker, we are working on this matter on behalf of all the farmers in Canada.

[*Translation*]

Mr. Pigeon: Mr. Speaker, may I ask a supplementary question?

[*Text*]

Mr. Speaker: Order. I do not see where there is any supplementary question. Yesterday I ruled a similar question out of order but today I allowed it in order to get the matter settled. I do not see how any supplementary arises at this stage.

[*Translation*]

Mr. Pigeon: On a point of order, Mr. Speaker. I just wanted to ask the minister whether he intends to establish a policy designed to help Canadian tobacco growers who are discriminated against by the Minister of National Health and Welfare?

[*Text*]

Mr. Langlois: Mr. Speaker, I rise on a point of order. This is not the first time I have brought up the question in this house, as have other hon. members also. This matter was brought up last fall during the previous session, and right now the minister is delaying and taking his time in giving a definite answer.

Mr. Speaker: The hon. member is indulging in an argument, not raising a point of order.

Mr. Langlois: Mr. Speaker, this is a point of order. I think the minister should at least tell the eastern farmers what he intends to do to help them out of their financial problems which exist today and which are so very lamentable. I think the government are faced with some drastic measures which they will have to take sooner or later.

Mr. Speaker: If the hon. gentleman will study his standing orders he will see that he should not make argumentative statements at this time.

TOBACCO—REQUEST FOR PUBLICITY EXPENDITURE TO HELP GROWERS

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, may I direct a question to the Minister of Agriculture, whom we are happy to see in the house?

In view of the fact that the Minister of National Health and Welfare (Miss LaMarsh) has $400,000 at her disposal to undertake an advertising campaign against the use of tobacco, does the Minister of Agriculture intend to ask the house to vote a similar amount so as to assist tobacco growers who will be adversely affected thereby?

[*Text*]

Mr. Speaker: Order.

[*Translation*]

Mr. Pigeon: Mr. Speaker, I have another question for the Minister of National Health and Welfare.

Has she consulted the tobacco growers associations before publishing a volume against the use of tobacco?

[*Text*]

Mr. Speaker: Order.

PUBLICATIONS

GOVERNMENT POLICY ON FOREIGN OWNERSHIP OF NEWSPAPERS

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I want to ask the Prime Minister a question. Has there been any further development in the last week or so in government policy on daily newspaper ownership by other than Canadian interests? I raise the question now because of rumours in Toronto about the sale of certain newspapers to foreign interests.

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker, there has been no new development in the last week or so on this matter.

TRADE

RAPESEED—REQUEST FOR EFFORTS TO EXPAND MARKETS

On the orders of the day:

Mr. Reynold Rapp (Humboldt-Melfort-Tisdale): Mr. Speaker, I have a question for the Minister of Trade and Commerce which is of urgency before the western farmers start seeding. Since Canada is the world's largest exporter of rapeseed, and since this grain is not under the jurisdiction of the Canadian wheat board, would the minister not have his officials look into the possibility of finding additional markets, particularly in Asia, so the farmer can diversify his crops and not put all his eggs in one basket?

Hon. Mitchell Sharp (Minister of Trade and Commerce): I thank the hon. gentleman for acknowledging the great accomplishments of this government in the field of exporting rapeseed. I can assure him that not only are we following up this matter and trying to expand the market still further, but that an oil seeds mission is in fact about to leave for Japan.

SOCIAL INSURANCE

INQUIRY AS TO APPLICATION BY PRIME MINISTER

On the orders of the day:

Mr. R. W. Prittie (Burnaby-Richmond): I wonder if I could ask the Prime Minister whether he has signed up for a social insurance number yet.

Inquiries of the Ministry

Right Hon. L. B. Pearson (Prime Minister): I am waiting to get a suitable cameraman to take a picture of me doing so.

POST OFFICE DEPARTMENT

REQUEST FOR ANNUAL REPORT OF DEPARTMENT

On the orders of the day:

Mr. A. D. Hales (Wellington South): My question is directed to the Postmaster General. I wonder if the hon. gentleman can explain to the house why his report for 1963 which was tabled on April 2 has not as yet been delivered; at least I have not received my copy.

Mr. Knowles: I have mine.

Hon. J. R. Nicholson (Postmaster General): My first information was that they would be put in the mail today, but I then asked if they could be delivered to hon. members' rooms and I was told they were all delivered before the house met this afternoon.

Mr. Hales: Would the Postmaster General say whether there had to be an alteration made to this report?

Mr. Nicholson: There had to be a correction in the date of the report signed by myself. It was a clerical error; it had been dated earlier than the date when I took office. I noticed it myself and promptly had it corrected.

Mr. Hales: Does the same explanation apply to the letter signed by the deputy postmaster general?

Mr. Nicholson: I would think so. It is purely a question of the date. I caught it myself before distribution was made and directed that it be changed.

Mr. J. A. McBain (Elgin): A supplementary question, Mr. Speaker. I wonder whether the Postmaster General can say why the original copy that was tabled earlier on April 3 contained on page 5 a letter from the deputy postmaster general dated April 1, 1963 and addressed to Hon. Azellus Denis; because I believe the election did not take place until April 8 and the Postmaster General was not sworn in until April 22.

Mr. Nicholson: Mr. Speaker, I asked the same question, and that resulted in the correction.

CANADIAN BROADCASTING CORPORATION

TORONTO—REQUEST FOR HEARING BEFORE CONVERSION OF STATION CJBC TO FRENCH LANGUAGE

On the orders of the day:

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, the hon. member for Wellington South asked me some time ago if the board of broadcast governors had arranged for a public hearing concerning the conversion plan for station CJBC in Toronto. I am informed by the B.B.G. that the board has no plans to hold a public hearing in this respect, and that the conversion involves a question of programming, which is a matter resting with the C.B.C. I am further informed that in the board's opinion it does not have the right to order a public hearing in this respect.

PUBLIC SERVICE

REQUEST FOR CHANGE IN CIVIL SERVICE APPLICATION FORM

On the orders of the day:

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, I would like to answer the question asked by the hon. member for Oxford with respect to changes in the civil service application form. Section 40, paragraph 1 of the Civil Service Act requires the civil service commission to give preference to Canadian citizens either by birth or naturalization. To implement this the commission must verify claims to Canadian citizenship. This is done, without any discrimination, by asking for birth certificates in the case of citizens by birth and, in the case of others, by requesting information which will enable the commission to check claims against the records of the Department of Citizenship and Immigration.

FINANCE

REPRESENTATIONS RESPECTING REMOVAL OF SALES TAX ON DRUGS

On the orders of the day:

Mr. Eldon M. Woolliams (Bow River): Mr. Speaker, I would like to direct a question to the Minister of Finance. Has he had extensive representation for the removal of the sales tax on drugs in Canada; and if so, is the government contemplating taking that step?

Hon. Walter L. Gordon (Minister of Finance): The answer is no to both questions, Mr. Speaker.

REFUNDS OF SALES TAX TO CHURCHES, SCHOOLS AND HOSPITALS

On the orders of the day:

Mr. R. R. Southam (Moose Mountain): Mr. Speaker, I have a question for the Acting Minister of National Revenue. Could the minister say whether a satisfactory formula has been devised by the Department of National Revenue to provide the refund of the sales tax on building materials as it applies to

churches, schools and hospitals; and if not, when does he expect to have one?

Mr. Speaker: Order. It seems to me that this question requires further investigation than one could expect at this time. May I suggest the order paper.

NATIONAL DEFENCE

INQUIRY AS TO POLICY RESPECTING RETIREMENT

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, I have a question for the Minister of National Defence. Have the 500 officers in the air force who are being retired prematurely been notified individually of their retirement, or are they still being kept in suspense?

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, I am not sure whether they have yet been notified, but if they have not they will be at once.

The hon. member for Bow River asked a question yesterday in this regard, and I may say now that approval has been given to a proposal to advance the release date of a number of R.C.A.F. aircrew and air traffic control officers. These officers numbering about 500 are surplus to present and anticipated requirements during the normal period of their unexpired service.

The group concerned consists of an equal number of short service commissioned officers, serving extensions, and permanent commissioned officers nearing the end of their service career. Their termination of service is in no way a reflection on the officers concerned. On the contrary, their loyal and devoted service is recognized. Both categories have been selected to preserve a reasonable age spread among aircrew officers. Future programming confirms that these personnel will remain surplus to requirements, and in consequence it is planned to release or retire them this summer. All concerned, both short service and permanent commissioned officers, are included in the special benefits plan now being considered by the government for service personnel no longer required.

Mr. Nielsen: A supplementary question. Are similar mass lay-offs being planned among the officer personnel of the army and navy?

Mr. Hellyer: Reductions will take place whenever surpluses are determined and whenever it is not possible to provide adequate employment for the personnel.

Mr. Nielsen: Could the minister advise the house whether he or his department is now planning any such mass lay-offs in the army and navy among the officer personnel?

Mr. Hellyer: There are no immediate plans in this direction but as the integration process goes forward reductions will take place in all three services, as announced previously.

Mr. Eldon Woolliams (Bow River): Mr. Speaker, a supplementary question. Is any extra compensation planned for these men who are being let out now before their service expires?

Mr. Hellyer: Mr. Speaker, I have just indicated that the government is now considering a plan which will have this effect.

SHAWINIGAN, QUE.—AMOUNT OF CLOTHING STOLEN FROM ARMOURY

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I have a question for the Minister of National Defence which is based on an answer to a written question which was given me yesterday. It refers to the items and quantities of military equipment stolen from national defence property since last September, and my interest in part was as to the amount of military clothing which was taken from the Shawinigan armoury in Quebec, the amount being unknown to me.

The answer I received from the minister reads "Unknown amount of military clothing, February 20, 1964, Shawinigan armoury, Shawinigan, Quebec". Can the minister explain that answer and give the house some indication why it is impossible to ascertain the amount of military equipment stolen?

Hon. Lucien Cardin (Associate Minister of National Defence): I will be happy to look into this matter, Mr. Speaker.

Mr. Churchill: Mr. Speaker, "looking into the matter" is scarcely enough. I placed a written question on the order paper which stood there for almost two months, and this is the type of answer which is produced. The quantity of equipment is unknown to me, and the answer I get is "quantity unknown". Surely this is a flagrant abuse of the rules affecting answers which should be given in the house.

Mr. Speaker: The minister has said that he will look into the matter, and I think he should be given time to do so.

Mr. Cardin: Mr. Speaker, the answer to this question was very voluminous and I cannot say any more at this time than that I will look into the matter.

Inquiries of the Ministry

ARTS, LETTERS AND SCIENCES

SUBMISSIONS TO ROYAL COMMISSION BY MEMBERS OF PUBLIC SERVICE AND ARMED FORCES

On the orders of the day:

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I should like to direct a question to the Prime Minister.

Following the question I asked yesterday, could the Prime Minister tell us today whether federal civil servants can personally submit briefs to the Laurendeau-Dunton commission without fear of reprisals from the government? Are members of the armed forces in the same situation?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, yesterday I said that I would look into this matter and reply as soon as I am able. I am not able to reply today, but I hope to do so either tomorrow or on Monday.

ADMINISTRATION OF JUSTICE

PROSECUTION FOR REPORTED VIOLATION OF WELFARE REGULATIONS

On the orders of the day:

Mr. Terry Nugent (Edmonton-Strathcona): Mr. Speaker, my question is properly addressed to the Minister of Justice, but in his absence I will address it to the Prime Minister, since it concerns his riding. On page 11 of today's *Globe and Mail* a situation is revealed which violates or takes undue advantage of welfare payments. I am wondering whether the Prime Minister can tell us if the Department of Justice is investigating the possibility of prosecuting the people mentioned in this story for obtaining welfare payments under false pretenses.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker. I am not familiar with this story but I will be very happy indeed to look into it; and if the facts are as alleged I should think prosecution would be undertaken.

HEALTH AND WELFARE

RESEARCH INTO AIR POLLUTION FROM VEHICULAR TRAFFIC

On the orders of the day:

Mr. P. V. Noble (Grey North): Mr. Speaker, I will direct this question to the Minister of National Health and Welfare. Is any research being carried on by the minister's department with a view to discovering ways and means of curbing air pollution by vehicular traffic, which is becoming an increasingly serious threat to the health of the nation?

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): Mr. Speaker, my department is conducting research into air pollution generally and we are keeping a close eye on efforts aimed at reducing the noxious gases from internal combustion engines. We are also in close contact with the United States public health service, which is spending vast amounts of money on this problem, and we are expecting to benefit from any developments which may take place there. Also automobile manufacturers in Canada and the United States have intensive research projects under way with a view to introducing measures to control pollution.

CANADIAN FLAG

ADOPTION OF RED ENSIGN BY PROVINCIAL LEGISLATURES

On the orders of the day:

Mr. A. D. Alkenbrack (Prince Edward-Lennox): Mr. Speaker, my question is directed to the Prime Minister. Now that the Manitoba legislature has approved a bill naming the Canadian red ensign as their official flag, has the Prime Minister heard of any other legislative bodies which are about to follow this good example?

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker.

PARLIAMENT BUILDINGS

FELICITATIONS ON OPENING OF HALL OF CONFEDERATION

On the orders of the day:

[*Translation*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I should like to direct a question to the Minister of Public Works. In view of the inauguration of the confederation hall which took place yesterday, no doubt the minister will allow us to congratulate him on having chosen such a name for this splendid hall.

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, I am pleased to accept those congratulations which I shall pass on to those responsible, and not necessarily the minister.

Mr. Ricard: The previous government.

[*Text*]

PUBLIC BUILDINGS

REQUEST FOR PROVISION OF BILINGUAL INSCRIPTIONS

On the orders of the day:

[*Translation*]

Mr. Maurice Cote (Chicoutimi): Mr. Speaker, I should like to put a question to the Minister of Public Works. Since the government is in favour of a bi-national confederation, has the Department of Public Works started to put bilingual inscriptions on federal buildings throughout Canada?

Mr. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, my hon. friend's question deals with the national policy on public buildings throughout Canada. After I have secured the proper information I will be glad to answer him in a few days, or as soon as possible.

[*Text*]

EARTHQUAKE DAMAGE

BRITISH COLUMBIA—REPRESENTATION ON COMMITTEE TO ADMINISTER DISASTER FUND

On the orders of the day:

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, I have a question for the Minister of Northern Affairs and National Resources. Has the government received a request to name a representative to a committee to administer the Alberni valley and west coast disaster fund? If so, what action has the government taken on this request?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, it is quite true that I received a wire from Mayor Hammer of Port Alberni asking us to make such an appointment. This request was supported in a telephone conversation I had with Mr. Lawrence Wallace, deputy minister of welfare for the province. I told them I would hesitate to make an appointment to a committee to disburse a fund to which at this moment we were not contributors.

I think I should tell the house that, very commendably, the member for the riding returned to his riding and remained there for several days. I believe he will agree with me that in general the immediacy of the situation has been taken care of and that the opinion is firmly held and there is every confidence that full reconstruction will take place. As I have already reported to the house, we are awaiting the report of the Earle firm of adjusters, at which time we expect the provincial government to advise us of their intentions.

REDISTRIBUTION

PROVISION FOR BOUNDARIES COMMISSIONS AND READJUSTMENT OF REPRESENTATION

The house resumed, from Wednesday, April 15, consideration in committee of Bill No. C-72, to provide for the establishment of electoral boundaries commissions to report upon the readjustment of the representation of the provinces in the House of Commons and to provide for the readjustment of such representation in accordance therewith—Mr. Pickersgill (for Mr. Pearson)—Mr. Lamoureux in the chair.

On clause 1—*Short title.*

Mr. MacLean (Queens): Mr. Chairman, I have a few brief remarks I should like to make.

Mr. Pickersgill: Mr. Chairman, I believe the hon. member for Medicine Hat had the floor.

Mr. Patterson: Mr. Chairman, I believe the hon. member for Medicine Hat had the floor yesterday.

Mr. MacLean (Queens): I am perfectly happy to defer to the hon. member.

Mr. Olson: Mr. Chairman, I had spoken for about 30 or 40 seconds yesterday before five o'clock, and I will take about the same amount of time now on the first clause of the bill. I simply want to say that our party stated its position at the resolution stage. There are a number of questions we want to ask. We will seek a number of clarifications, particularly with regard to clauses 12 and 13. There are other clauses, of course, such as clause 17 with regard to which we will want a more detailed explanation. However, we are prepared now to proceed with the clause by clause study and to raise these matters as they come up. That is all we have to say at this point.

Mr. MacLean (Queens): Mr. Chairman, I have a few remarks I should like to make on this bill, which is being piloted through the house by the Minister of Transport. I am grateful to the minister for the open-minded view he is taking of the problems involved for the purpose of having as fair an assessment of the situation as possible made, with the hope that a solution can be arrived at which will have the general support of all parties in the house. I think this should be our objective. Some members are a bit mystified as to why the Minister of Transport should be piloting this bill, and someone has facetiously suggested that it has something to do with telegraphing votes. But having said that may I say I do not subscribe to that view at all.

Mr. Pickersgill: I can assure the hon. gentleman that is not in the least necessary in Newfoundland.

Mr. MacLean (Queens): There are two or three things I wish to bring to the minister's attention. I have noted his statement that it is proposed to stand clause 13 until a later time because in his view it is controversial. Arguments have already been put forward by many members indicating why they believe there should be a greater variation than 20 per cent allowed from the unit of representation as far as certain areas are concerned. These arguments have chiefly had to do with rural areas. I agree with them, but I am not going to discuss that point further at this time.

However, I think this same principle applies with great force to another important segment of Canada, and I refer to suburbia. I commend to the minister's attention the speeches that have been made by the hon. member for Carleton and the hon. member for Burnaby-Richmond, I believe, in this connection, as well as those by other members. I regret though that as I understand their remarks they have set out certain premises and have come to conclusions which are diametrically opposed to the conclusions that I think the premises justify.

If the minister will bear with me, I say that for this reason. They are concerned with rapidly growing areas in Canada, and I think it is the wish of everybody in the house that these areas should be fairly represented. But I should like to point out that I do not believe this objective can be achieved by having a limited deviation from the unit of representation. If you take the extreme case where the deviation has diminished to the vanishing point and you have an area with the exact population of the unit of representation in 1961—let us say 70,000 for the sake of argument—by the time the commission undertakes the redistribution of this area they will be forced under these circumstances to make the area one constituency regardless of its present population or its rate of growth. On the other hand, if there is a deviation of 20 per cent allowed they can cut the riding down to an area that had a population of roughly 54,000 in 1961, and this would be a desirable thing if it had grown very rapidly in the meantime and now had a population of perhaps 150,000. However, they could make the redistribution even fairer if they were given greater leeway to take into account the rapid growth that might occur from one redistribution to another. In some cases the growth will have already taken place since the last census by the time the commission undertakes the redistribution.

If you were to allow a deviation of 30 per cent, for example, you could take a riding with a population of 45,000 in 1961, let us say, and still make it into a riding now even if its population should be much above the unit of representation at the time the commissioners are making the readjustment. To take an extreme case, let us say you have an area where there were only 10 people living in 1961 and which may have a population now of 200,000. You would have to do the redistribution on the basis of the fact that there were 10 people living there in 1961. That would be the only variation that would be allowed.

I feel that perhaps this has been overlooked, but I believe if the minister studies these speeches carefully he will come to the conclusion to which I have come, namely that this is another forceful argument for allowing a greater tolerance, at least in this first redistribution which is being conducted on rather an experimental basis. In this way these rapidly growing areas can be reasonably well accommodated and they will not have a population the size of two normal constituencies even at the time they are created.

The other point I want to raise just for a moment relates to dual ridings. I hope the minister will be able to find himself in a position to have one of his colleagues move, at the proper time, that the appropriate section be amended to allow the commission to recommend the retention of the existing dual ridings if they so wish. I do not believe the commission should be obligated to maintain dual ridings, but I believe it should have that option. Dual ridings have perhaps some disadvantages but they also have advantages, and in some ways they are fairer than single ridings to the people who elect members to parliament.

I believe that in Prince Edward Island at first there were three dual ridings which were eliminated following the census of 1891, and five single ridings were created. At a later redistribution the dual ridings were again created, so there must have been a good reason for them. They have continued to be recreated at every redistribution since that time. I believe there is perhaps even greater force to the argument that the other dual riding should be retained, but I will not go into that argument.

However, I should like to give one illustration of what I am talking about. You could have a situation in an election when a member of parliament is elected to this house by a majority of one vote.

Mr. Pickersgill: We have one.

Mr. MacLean (Queens): I agree with the theory that members of parliament represent everyone in their constituencies, the people who have voted against them as well as the people who have voted for them. I wholeheartedly support that view. Nevertheless, it is seldom that you have that sort of situation in a dual riding. In a single riding, as the political pendulum swings from one party to another you reach a point where a member is elected by a very small majortiy. In a dual riding it is very rare for the candidates of any one party to get exactly the same number of votes, although in the case of Queens the other member for Queens and I polled very close to the same vote on most occasions. In dual ridings there is usually a spread of votes between the candidates of any particular party, with the result that as the political tide moves you have an area in which you have members from two different parties elected. In that situation everybody in the riding feels that at least one of his men has been elected and he is represented in the House of Commons in a very particular way.

This is only one of the arguments for dual ridings. There are a number more. I am not wedded to any particular view as to whether dual ridings should be continued or eliminated, but I should like to see the commission concerned given the option of studying that particular question and then coming to whatever conclusion they may think proper rather than have parliament, in a rather arbitrary way, say that dual ridings should no longer exist.

Mr. Pickersgill: I wonder if I might rise to speak to a point of order in a completely non-controversial way. My point of order does not relate to what the hon. gentleman said about dual ridings but is related to the first part of his speech. We did have, I thought, an understanding that we would save the discussion on tolerance until we got to clause 13. I did not want to interrupt the hon. gentleman, but I wonder if we could not agree to wait until we get to clause 13 in order to avoid having that debate twice.

Mr. Woolliams: If I may speak to the point of order, I may say that on the first item I intend to speak about a number of subjects that are rather interlinked, one of which may be the tolerance factor. When we get to that particular section of the bill we can deal with that subject in particular way. However, on the first item we can deal with the subject in a general way and discuss how it will affect the whole situation.

Mr. Pickersgill: We had a rather long debate on second reading in which this subject was rather well canvassed. I do not want to seem restrictive in any way, but I just wondered if hon. members did not feel they could keep this particular subject until we come to the clause dealing with it. I assume that the big debate is going to be on this subject, and I thought perhaps general observations could be made on the first clause.

Mr. MacLean (Queens): I was only trying to save time. I was trying to put forward this point of view so the minister would have time to consider it, because to my knowledge it has not been raised before.

Mr. Pickersgill: I do not believe the point had been raised before.

Mr. MacLean (Queens): I did not want it to come as a surprise to the minister if he had not considered the point when the particular section came up. I had finished my remarks, and if the minister had not raised this point I would now be seated.

Mr. Churchill: If I may speak to the same point the minister has raised, I would say I was not present yesterday. However, I have read *Hansard* very carefully and I did not interpret what was said by the hon. member for Digby-Annapolis-Kings as agreement on the proposition now put before us by the Minister of Transport. I intend to speak on item No. 1 and I may refer to the tolerance factor. It is all very well for the Minister of Transport to say we have had a lengthy debate on this subject, but there are some members who spoke on the resolution stage, some on second reading, and others have not had an opportunity as yet to speak. So far as I am concerned, I spoke for ten minutes the other night, and I will not submit to any restriction with regard to item No. 1.

Mr. Woolliams: Mr. Chairman, I appreciate what the minister has said in relation to some restriction, and I should like to direct my introductory remarks to that point. I would have taken part in the debate on second reading, but since I wanted to particularize I thought the best way to do this would be to speak to clause 1 in committee. I hope that in so far as my remarks may be general and not particular there will be no agreement to prevent me from saying what I want to say. I hope to be brief, anyhow.

This is the first time I have had an opportunity of speaking on this subject because I was unavoidably absent during the debate at the resolution stage. I am sure the minister will bear with me. I believe we all want to congratulate the minister upon bringing forward a piece of legislation which will result in the establishment of an independent body to deal with redistribution and get away from any form of gerrymandering. Every ten years

we have a census, and as a result we find there has been an increase in the population of our country and we must therefore adjust our constituencies. We have all agreed on that. We have always tried to get some form of representation by population.

I believe the population of Canada at the present time is 18,238,247 and, irrespective of the method being used, it has always been the endeavour to follow some rule of representation by population. Of course we have never had a perfect formula, the reason being that we are put together as a rather complex country and we have some very complex problems; but I think any political science student or student of history would agree that we have tried to achieve, with some equity, representation by population.

Other problems have been mentioned. Sometimes the cartoonists in various newspapers have referred to the agriculturists of the country as wanting to have greater representation in the House of Commons than other groups. I think I can speak for that group in this regard, not only because I represent, as I said previously, a partly agricultural riding but because my early career was connected with agriculture. I do not think the farmers or agriculturists have ever asked for greater representation than other groups. This is just one of those things which grew up in the course of the development of the country itself.

Years ago, before western Canada became industrialized, it was primarily an agricultural area covering Saskatchewan, Alberta, Manitoba and even some parts of British Columbia, and because it was such a vast area there was a large tolerance factor given to it. One has only to look at a map of the prairies and see the constituency boundaries as they presently exist to realize how large some of the ridings are. I believe these will be subject to some real revolutionary change if some of the rumours we hear are true.

A number of these constituencies are 300 miles long. The boundary of the riding of Bow River extends west to the British Columbia border, and proceeds east of Calgary for about 100 miles. The constituency is about 70 miles deep; therefore it measures roughly 250 miles long and 60 or 70 miles wide. Like many other constituencies in Canada it surrounds a large city, the city of Calgary, whose suburban areas have moved out into former rural areas, with the result that for the last ten years one third of the riding's population has been formed by city people living in such areas as Thorncliff and Forest Lawn.

This might be a good time, when we are considering the equity that must be put in the bill with regard to the problem of tolerance, to place on record the fact that it is not unusual for a candidate to put anywhere from 12,000 to 20,000 miles on his car if he is to cover his constituency. This is the basic reason why the agriculturists, over the years, have had greater representation than the cities in the House of Commons, and as an analogy to that I should like to refer to the provinces themselves.

When we look at the composition of the provincial legislatures such as British Columbia, Alberta, Saskatchewan, Manitoba and even the eastern provinces, we find that the agricultural areas probably have greater representation in them than students of political science would like to see. The reason for this is the very one I have just outlined, and it is the reason we should consider this bill very carefully when we come to decide how much tolerance is to be given. It is because the primary industry of the country was, for many years, agriculture.

We all, even those members from western Canada, realize the tremendous industrial development that has taken place in eastern Canada; and we all know, including the minister himself, who I understand is a western raised boy from Manitoba, that the west also is becoming heavily industrialized and in the next ten or 20 years may become almost as industrialized as Ontario and Quebec.

Toronto at large has about 17 or 18 constituencies and some people feel that, because there has been pressure for closer representation by population, cities like it will get more representation. However, I am sure even the minister will agree that constituencies in the centres of cities, be they Calgary, Toronto, Montreal, Vancouver or Winnipeg, do not measure up now to the average quotient figure of 70,000 electors. Therefore they will be cut down and the suburban representation increased, with the result that the city of Toronto will probably gain only one constituency. I do not have the experts' figures here, but I believe that cities like Toronto and Montreal have not had representation by population for some time.

I have some figures here to show the discrepancies that exist in certain of the provinces. Alberta has a constituency with a population as low as 42,000 while the hon. member for Calgary North, who I am glad to see is in his seat, has the largest riding, holding some 134,000 people. The lowest population constituency in New Brunswick has about 23,000 people, while Saint John has 101,000. Ontario has one constituency, I believe Bruce, with a population of 29,000, while York-Scarborough has a population of 267,000. Quebec has one constituency with a population as low as 12,000, while the

constituency of Mercier in Montreal has a population of some 250,000 odd, almost the same size as York-Scarborough.

These figures are not exact, but they illustrate the facts I am emphasizing. Manitoba has one constituency as low as 40,000 and another with a population as high as 116,000. Saskatchewan has one as low as 37,000 and another with a population as high as 95,000. These figures speak for themselves. They emphasize that not only is there not representation by population, because the scales appear to have been weighted heavily in favour of the rural areas, but also show that representation by population is not true of the city areas because there has been a tremendous influx of population into the suburban areas, and that is why members of parliament sometimes find they are representing as many as 200,000 people.

Now, I want to go into the principle for a few moments, and in doing so I wish to refer to section 51(1) of chapter 304 of the federal statutes, which is an amendment to the British North America Act, well known to the minister and other hon. members present. It outlines five rules. Basically there are 18,238,247 people in Canada; more than 18 million. The first thing you have to do is look at the rule. Section 51, subsection (1) says:

> Subject as hereinafter provided, the number of members of the House of Commons shall be 263.

Looking at that, one would think there would be no problem at all. One could merely divide the 263 into the total population. But there are some safeguards which have been introduced in order to protect minority rights, and to protect those provinces where expansion has been slower than in the rest of Canada. Let us look at the formula we have today. We have what we call a Senate cushion; that is an expression I would coin in this regard. Under this arrangement there cannot be fewer members in the House of Commons from a province than there are senators from that province. I believe this rule is well known to the minister, but at this time I believe it would pay us to review the situation.

So the first thing to do is to subtract the members from those provinces which are affected by that arrangement. If you take 263 members as laid down by the act, you must then subtract the members representing the provinces to which I have referred. What are the provinces which would benefit under the redistribution proposals at the present time? I am informed they are New Brunswick and Prince Edward Island; the Yukon and the Northwest Territories are excluded anyhow, so we can forget about them. But there are ten in New Brunswick, four in Prince Edward Island, one in the Yukon and one in the Northwest Territories. This adds up to 16. Deduct 16 from 263 and you arrive at the quotient, a figure which comes to 247.

Let me review briefly what I have said. The act calls for 263 members. We deduct the representation of those provinces which, because of their lower population due to a lack of expansion, cannot have fewer members than they have senators. This number amounts to 16, bearing in mind the Yukon and the Northwest Territories. We are then left with 247. Now, the population of Canada is 18 million in round figures. Next we take the population of New Brunswick, Prince Edward Island, the Yukon and the Northwest Territories and we subtract the total from the 18 million. This gives us a figure of about 17.5 million people. Then in order to arrive at the quotient we divide this latter figure by 247 and we find that every constituency, if we could achieve perfect boundaries and true representation by population, would contain approximately 70,800 people. Now, there are in western Canada, as everyone knows, 24 senators; I believe there are six from each province. The rule which protects the maritimes against losing their representation and which excludes them from the strict rule of representation by population does not apply and has not applied to western Canada because our population has for a number of years been much higher than the floor provided. The safeguards which protect the maritimes certainly do not protect western Canada because I trust we shall always have more representation than six members from Alberta, Saskatchewan and Manitoba. In this regard one might say this afternoon, though I do not wish to press the point, that western Canada, in the absence of any other rules, has been discriminated against.

It would be interesting, I think, to put on record the degree of representation at the present time. Newfoundland, the new home of the minister, at the present time has seven members. Let us see what might happen under the formula which is before the committee now. Those seven members would be retained. Nova Scotia has 12 members and this number would be reduced to 11. Quebec has 75 members whose number might be reduced by one to 74. Ontario has at present 85 members and this province would gain three seats for a total of 88. So while Quebec would lose one, Ontario would gain three. Manitoba at the present time has 14 members and would lose one, its representation being reduced to 13. Saskatchewan would be the hardest hit. At the present time the province is represented by 17 members and it would

appear, if this formula is not changed, that its representation would be reduced from 17 to 13.

An interesting point occurs to me. I know that the administration, or the officials of the department, may not agree with me about this. Possibly the officials of the Department of Justice would not agree with me, either. But I believe there is food for thought in section 51, something which has been carefully analysed by this committee. As far as I know —and the minister may have some other information, because I have worked on this for only a short time and there may be judicial interpretations of section 51(1), although I do not think there are, because I do not believe the matter has ever come before the courts—

An hon. Member: What act?

Mr. Woolliams: The British North America Act. Let me read an extract from rule 5. It says:

> On any such readjustment the number of members for any province shall not be reduced by more than fifteen per cent below the representation to which such province was entitled under rules 1 to 4—

Rules 1 and 4 of the said act I have already discussed; that is how we arrive at the quotient of 70,842 if there is to be perfect representation by population. So what they say is this. If Saskatchewan had 20 representatives in 1952, because rule 5 of section 51 provides they cannot be reduced to 12 or 15—12, I believe it was—rule 5 applied and they got 17 members. So Saskatchewan, because of that special rule 5, has been given more representation since 1952 than otherwise it would have been given. The administrative officials, I believe, say this. It may be correct. But I think there should be some hard thinking on this point that because the rule was applied on the last occasion it cannot be applied again. That is interesting. If members will look at this section they will find it says:

> —than any other province that according to the results of the then last decennial census did not have a larger population; but for the purposes of any subsequent readjustment—

And we are dealing with a subsequent readjustment now.

> —of representation under this section any increase in the number of members of the House of Commons resulting from the application of this rule shall not be included—

I say this to the minister. We are not increasing the number of members of the House of Commons by this legislation. That is the first question I pose. We are not increasing the members of the House of Commons. We will probably end up with 264 members where previously we had 265. Under the formula we will now arrive, properly and legally, at 264. So we are not increasing the over-all picture in Canada.

I will come to the next question, Mr. Chairman, which I think the minister should consider very carefully. We are not increasing the number of members of parliament from the province of Saskatchewan. So if we are not increasing them at large and we are not increasing them provincially, I ask the minister to consider with his legal officers whether rule 5 does not apply today. This is a subsequent readjustment. I am going to emphasize this point because it is awfully important to western Canada and to the members sitting here from Saskatchewan. If that province is going to lose four seats it may be very important to them. If the legal officers are wrong, and if the interpretation of this section happens to be different, Saskatchewan may only lose two instead of four, and this means a great deal to western Canada.

This is a question I pose to you, Mr. Minister. I want to read this again because I think it is very important:

> —but for the purposes of any subsequent readjustment of representation under this section any increase in the number of members of the House of Commons resulting from the application of this rule shall not be included—

I ask this question once again. We are not increasing the number of members in this house; we are decreasing them by one. The legislation will reduce by four the members who represent Saskatchewan. Was there a question that you wanted to ask?

Mr. Choquette: The only question is, how long are you going to speak?

Mr. Woolliams: All I say to you, sir, is that if you want to go out for an afternoon cup of coffee and you are not interested in the seriousness of this bill, that is what I suggest you do.

Mr. Choquette: I am interested in the bill.

Mr. Woolliams: I say with the greatest respect, and I think the minister will agree with me, that I am raising some pretty serious questions as far as western Canada is concerned.

Some hon. Members: Hear, Hear.

Mr. Knowles: Mr. Chairman, I assume the hon. member is addressing the Chair.

Mr. Woolliams: I am, and I assume that you are doing the same thing at the moment while you are sitting down.

Mr. Dinsdale: Touché.

Mr. Knowles: I was just wondering, in view of what the hon. member said, whether you, sir, were planning to go out for a cup of coffee.

An hon. Member: Do you know you look like Red Skelton?

Mr. Woolliams: Well, I may look like him, but I haven't his bankroll.

Mr. Knowles: Mr. Chairman, while the hon. member is looking for his notes I wonder if he would entertain a serious question.

Mr. Woolliams: Yes, I would.

Mr. Knowles: That is an admission as to the last one. As the hon. member knows, all of us are concerned about the application of these senatorial floors, and some of us have some views about them in terms of what they do to the balance of representation. Is it not correct that for all practical purposes the provinces of western Canada have a floor of ten, in view of the fact that their population is greater than the populations of Nova Scotia and New Brunswick?

Mr. Woolliams: They have a floor of ten.

Mr. Knowles: Is there not a rule in section 51 which says that no province shall have fewer members than another province with lesser population? Therefore though by one part of section 51 our floor in the prairie provinces seems to be six because we have only six senators—as far as I am concerned that is six too many—in point of practical arithmetic our floor is ten, is it not?

Mr. Pickersgill: Yes, as long as the population of Saskatchewan remains greater than the population of Nova Scotia or New Brunswick. I just picked Saskatchewan because, though I think at the last census, Saskatchewan was slightly higher than Manitoba, I think now the population of Manitoba is higher than the population of Saskatchewan. But they are the only two provinces that seem in any possible peril at the present time. It would appear to me that the hon. gentleman is quite right and that ten is the practical floor for Manitoba and Saskatchewan.

Mr. Woolliams: I agree with the minister, and the only reason I raised the question of six was this. I said that if the rule was applicable to the west, then I agree with the hon. member's interpretation in that regard.

Mr. Knowles: I thank my hon. friend.

Mr. Woolliams: Thank you. I know that all of us have done some studying of this matter. I certainly am not by any means holding myself out as an expert, because this matter is pretty complicated, and needs a lot of research. I would say that members of the House of Commons who have been here for a considerable length of time, who have seen much of this legislation pass and have been here at other times when we have readjusted the constituencies, have that experience which I do not enjoy.

I want to deal with several particular points that I have tried to make. First of all I say that to be fair to western Canada we must have a high tolerance. I know what the answer is going to be, and it can be debated. It is said that at the present time—and you can point a finger at us—we in western Canada have more Conservative members of parliament. But I would say this is supposed to be a long term or long time bill; the formula as to tolerance will probably change with changing circumstances. However, the fact is that we should forget about where the representation is from, and I say that western Canada will be discriminated against by the fact that Saskatchewan will lose four members.

Mr. Pickersgill: Mr. Chairman, I wonder whether the hon. member would permit a question. He says that western Canada would be discriminated against by the loss of four members. Of course the matter of how many members are given to each province is not in question in this bill, as the hon. member has recognized; it is governed by the constitution of Canada. Any discrepancy, therefore, between rural and urban representation would be within the constitution. Does not the hon. gentleman think that the discrepancies are far greater in eastern Canada, particularly in what he and I were brought up to call eastern Canada—I mean Ontario and Quebec —than they are in western Canada? I think the difference between Scarborough and Bruce is far greater than the difference between Calgary North and Bow River.

Mr. Woolliams: I agree with the minister, but as I pointed out earlier in my remarks, the discrepancy between York-Scarborough and other constituencies in Toronto is identical with the discrepancy with regard to Bow River, because the change must come within the whole of Toronto proper. I feel we should protect the people of western Canada and other people concerned in just the same way as the maritimes are protected by the rule to which I have referred. I believe the tolerance figure—particularly because we have so many rural constituencies—should be at a higher level.

I have said that I think we should take a careful look to see whether rule 5 can be interpreted in the narrow sense, whether it does or does not apply to a second occasion. I think also that we should be very careful with regard to the tolerance used in connection with large areas and rural constituencies. I have also mentioned the difficulty of getting around a large rural constituency in western

Canada. I said, and I repeat, that I do not think the farmers or agriculturists have asked for a heavier representation in the house; it is done to assist the member to better represent the area from which he comes.

Therefore I say that if we wished to have true representation by population we would repeal the whole of section 51 and the other rules that apply. I think we should make certain in the act itself that the commission set up is an independent body. I will discuss this question more fully when the particular clause comes before the committee, but I think it should be set out very clearly that the head of that commission should be the chief justice of the province or a member of a superior court appointed by him. It says as worded now, "from his court". That might be interpreted to mean merely the court of appeal, which would include the remaining three or four judges. Perhaps the chief justice would feel that, because the act suggests his appointment he has an obligation or responsibility to appoint someone other than himself. But whether the chief justice of one province or another has been appointed by a Conservative or by a Liberal government, I want to say that in the 20 years in which I have been before the bar I have found, particularly with men at the chief justice level, that they are not only steeped in jurisprudence but have been carefully chosen not only because of their wisdom but because of their public relations ability to understand all forms and levels of human behaviour. I feel that a man of that calibre is the kind we need to head these commissions, if we are to have ten commissions in Canada, or if we are going to have just one commission with subcommittees, whichever the case may be. The bill at the present time proposes to set up ten separate commissions.

With regard to placing an objection before the commission itself. I think that ten days is not long enough and that it should be extended to 60 days or even longer. I would also ask whether the objectors are going to be armed with all the information. First of all, they should be allowed to see the proposed maps of the province delineating the constituencies and what each constituency will contain by way of population, so as to enable them to decide whether they have real objection. Probably that is the reason that the tolerance figure should be enlarged to 30 or 35 per cent, because it is just impossible for some areas to be represented by one member of parliament only owing to its diversification. For example, I draw the analogy of my own riding, which has the tourist trade of Banff, coal mining in Canmore and Drumheller, the ranchers in the foothills and the wheat growers around Drumheller. There is a great diversification of industry in the province and it might be better that those people with similar interests be in one area.

The Chairman: I am sorry to interrupt the hon. member but his time expired at four o'clock; in view of the interruptions I thought he should be allowed an additional five minutes.

Mr. Pickersgill: If the hon. member has a sentence or two perhaps the committee would be tolerant, Mr. Chairman.

Mr. Woolliams: Well, I am just finishing. I feel that wherever possible the constituencies will keep the nucleus which they have. If the constituencies are going to be enlarged, it is far better that the nucleus be retained because those people residing in the constituencies have often lived there for years. Sometimes their fathers and grandfathers have grown up in constituencies like Bow River, Saskatoon, Regina or Winnipeg. So wherever possible the nucleus should be kept together.

One other point arises here. Where a discretion is given to the commission itself, I should like to know what kind of discretion will be exercised. What is meant by an equitable discretion? How far can the person exercising the discretion go? Should there be a legal floor? Is the legal floor quotient to be 70,000 with a 30 per cent drop or rise? That is the question. How much is to be left to the discretion of the commission? I hope that the commissions will not turn out to be a rubber stamp for other people's work. I hope that, whatever the tolerance be, when a change is made it is made equitably and with proper discretion. I would emphasize that if evidence is prepared for the commission, and I think evidence has to be prepared, it should be made available to anybody who requires it, so that if an objection is made the objector is armed with the same material as the commissioners or the counsel who appears before the commission.

Mr. Harkness: Mr. Chairman, I will take only two or three minutes of the committee's time to make one or two suggestions. The first is in connection with a matter brought forward to some extent a little while ago by the hon. member for Queens, namely that some consideration should be given to the growth which is taking place in certain areas since the last census was taken. By the time the commissions which are appointed report, it will have been at least four years since the last census was taken, and during that period a considerable change in population will have taken place in certain districts. I would

suggest that one of the terms of reference for the commissions concerning the general rules under which they would operate should be that consideration shall be given to the growth which has taken place in some areas since the last census was taken. I also suggest that consideration be given to what one might call growth areas, areas in which it is quite apparent that growth will continue. If that is done, we will obviate very severe discrepancies arising in the future no matter what the tolerance be. I hope that something might be written into one of the clauses of this bill which would lay this down as a consideration which the commissions would have to take under advisement, when deciding what are the boundaries of the various constituencies.

I mention this particularly, because I have seen the bad effect caused by the absence of this consideration in my own city of Calgary. Prior to the last redistribution in 1952 there were in effect three constituencies in the city. There was Bow River, which took in the eastern part of the city plus the rural area to the east and to the north of it; there was Calgary east, which I represented and which really took in the central part of the city and the rural area to the south; and there was Calgary west, which took in the western part of the city and the rural area to the west and north.

In the Redistribution Act of 1952, in spite of the fact that a considerable amount of growth in population had taken place in the city of Calgary since the previous census was taken, and that it was quite apparent that this would continue at a very rapid rate, the number of constituencies was cut down to two, with the result that the two constituencies in Calgary at the present time are two of the most populous constituencies in Canada. I hope that mistakes of this kind will not be repeated and that the inclusion of a provision something along the lines I have suggested in the terms of reference of the commissions will ensure that there be some insurance, shall I say, against a constituency becoming too large in terms of population before the next revision of boundaries takes place.

The only other point I want to mention at this time is with regard to some remarks made by the Minister of Transport yesterday to the general effect that it was undesirable to have mixed rural and urban constituencies. If I misinterpreted what he said I know he will correct me. I think that the converse is the case. Mixed rural and urban constituencies are very desirable and from many points of view. For eight years I represented a mixed rural and urban constituency, and as far as the interest of the people is concerned, and as far as the more impartial attitude, shall I say, toward questions affecting urban people on the one hand and rural people on the other is concerned, a member who represents a mixed constituency of that sort has a great advantage. I say that because he gets both points of view and can also do something to reconcile those points of view when they are opposed to each other. Therefore, rather than making any attempt to try and ensure that constituencies are either purely urban or purely rural, I would hope that there would be a considerable number of constituencies which would at least be of a mixed nature.

As far as the composition of this chamber and the representation of the people of Canada is concerned, I think that this would be of distinct advantage rather than disadvantage. I put that before the minister, ask him to think about it and perhaps reconsider the attitude he expressed before.

Mr. Pickersgill: I wonder whether the hon. gentleman would permit me to say that really what I was doing yesterday was trying to agree with the hon. member for Regina City who had made the point. I had not given much thought to it, and perhaps the hon. member could carry on the debate with the hon. member for Regina City. The matter is very unlikely to arise in my case anyway.

Mr. More: Mr. Chairman, I do not want words put in my mouth. I did not say that mixed constituencies were inappropriate. I said that the complaint from my area had been that people outside the area of the city could not vote together with the city people. I did not say anything about mixed constituencies.

Mr. Pickersgill: All I did was agree with what the hon. gentleman said, and if I misunderstood him I did not know what I was agreeing with. In any case I can assure the hon. member I have no intention of seeking to direct anyone in this matter and I really have no very strong views on it one way or the other.

Mr. Harkness: Mr. Chairman, I was not thinking of the matter from the point of view of its possible application to the Minister of Transport. I was thinking of it from the general point of view of improving representation and thus the welfare of the country as a whole, as I am sure the minister is. But one reason in particular why I have mentioned this matter is that at the present time there is a considerable area around every urban centre of any size in which the majority of the people are really people primarily interested in and connected with the city. They live in the country but they earn their livelihood in the city. Their interests lie primarily in the city although in many cases

they may carry on some sort of small agricultural enterprise and sometimes not so small.

In the case of my own city of Calgary, for at least 20 miles in every direction around Calgary perhaps two thirds of the total population are people who work in the city of Calgary, who gain their livelihood there but live outside the city limits. This is another reason why I think a certain amount of what I call mixing of urban and rural areas is a good thing. The fact is that in many cases the attaching of a portion of rural area to a city riding simply means that you are including in that riding for the most part people whose interests are primarily in the city rather than in the rural area. These are the only two suggestions I wish to make. With regard to the first one in particular, I hope the minister can find some way to include it in a definite form somewhere in the bill.

Mr. Bell: Mr. Chairman, I have a suggestion I should like to put forward, but first of all may I say I do not agree with the statements made by some that because New Brunswick has a senatorial floor everything is rosy. We are going to have some very serious problems when the final decisions are made. We have communication problems. In addition, the French-English situation in New Brunswick has to be considered in the new constituencies. I see that the hon. member for Charlotte is following the debate very closely. His riding is alongside mine. The population of my riding is four times that of his, but I think we both have many problems. He has to cover the islands and a tremendous extent of coastline. I do not consider that either one of us works harder than the other, but there is the problem of keeping in touch with people which looms larger in a rural riding than in a large metropolitan area.

This leads me to my proposal. I suggest that when we come to clause 13 it might be possible in some way to stagger the tolerance so that, looking ahead to the census of 1971 and the results that might be anticipated then, we could have some fairly general objectives. There will probably be two elections before 1971. There will be a census, of course, in 1966 and another in 1971. I do not want to go into any detail now, but it might be possible to place the tolerance at 30 per cent now and 20 per cent in 1971 with the result that we would have some objectives to work toward.

I think this would have a fairly good effect, in that it might answer some of the problems raised by the hon. member for Queens (Mr. MacLean) with regard to the tremendous growth of urban areas. I looked at the parliamentary guide where there are some interesting facts. My own constituency includes the greater Saint John area, which I suppose is the population centre of New Brunswick, although Fredericton and Moncton are becoming larger each day. I noted that in 1867 the constituency was Saint John city. A little later it became Saint John city and county. Then Albert county was added and it became Saint John city and county and Albert county. Saint John city and county and Albert county had two members, but before 1935 one member was taken away from the dual constituency. This is the situation now. There is one member from Saint John city and county and Albert county. I would imagine that after the changes are made resulting from this legislation we will almost be back where we were in 1867, regardless of the tolerance, with one member for Saint John city as we know it now, in the same way as there was one member for Saint John city in 1867. I do not know what this proves. I suppose it shows that after 100 years we are right back where we started so far as redistribution is concerned.

But without entering into all the details of my constituency or with regard to New Brunswick generally. I throw out the suggestion quite seriously that it might be possible to formulate some definite idea as to what our final objectives should be for 1971 so that the dislocation of constituencies and members will not be as great. This factor looms very large in the maritimes. I am not speaking in any partisan political way, but I would point out that in the maritimes the member becomes closely identified with the voters. If we start to change the constituencies then, no matter whether the member is hard working like the hon. member for Charlotte and myself, it will take quite a few years for the member to become identified in the same way with his constituents. If we could spread out the process over a ten year period it would not be undemocratic and I think everybody would be better off.

There is another point that has not been put forward lately but which I think should be considered. It has to do with the tolerance, but I merely bring it forward in a general way so that we can be prepared for it. I should like to know what difference there would be in the actual boundaries with a tolerance of 20 per cent as opposed to a tolerance of 30 per cent. In other words, are the serious initial changes not made at the 20 per cent level, and how much greater would the difference be at the 30 per cent level? I am thinking of a figure of 30 per cent and I am wondering what greater dislocation there would be with an additional 10 per cent tolerance.

Perhaps the minister might prepare himself to say something on this point in a general way. I appreciate that he certainly does not want to deal with what he thinks will be the result for every constituency in the country, but it is my impression that once the changes have been made at the 20 per cent level there may not be that much more difference. In other words, you are really only playing around with a few housing developments in the urban areas.

Mr. Churchill: Mr. Chairman, I think we should examine with the greatest of care the bill now before us. I appreciate the desire of the Minister of Transport to get this thing pushed ahead. That is the general idea when you are on the government side. My experience in the House of Commons has been that legislation does not normally detain the house unless it is highly controversial. On the other hand, legislation that is put through the House of Commons sometimes contains errors. Our job as legislators is to examine legislation with the greatest care when it comes before us. If there is any wasted time in the house, it is wasted on other aspects of our life here. I feel therefore it is important for us, when we are dealing with something which is going on the statute books, to make sure it is correct.

We have had plenty of experience with having to alter bills which have been brought before us. We have accepted in principle the bill to set up a brand new system to deal with redistribution. The principle which has met with general acceptance here has been to remove from the field of political controversy one of the most highly controversial subjects that affects politicians. Having done that, we are not content with making this major change, the first one in a hundred years, but some people want to go further and place certain restrictions within the bill. The advocates of strict representation by population have been heard. I am suggesting that we move slowly on some of these matters and that we examine the situation which has existed in the past in Canada.

The other night when I was restricted as to time and was speaking on the second reading of the bill, I indicated I had some concern with regard to what might be in the minds of the commissioners. The mere fact you select a man as a commissioner does not endow him with any special intellectual capacity to judge an issue. The persons who are going to be selected as commissioners are not likely to be persons who have had practical experience in politics. They may be men of very sound judgment, and I hope they are. Nevertheless, there has to be a background of experience for persons who are going to decide a question as important as this particular one.

I am not at all sure that the commissioners who will be working on this job will have the necessary background. I expressed some concern the other night that they might ignore the opinions expressed in the House of Commons. I hope they do not. I expressed concern that they might be swayed by opinions, one way or the other, expressed in this house, and they might not get the consensus of the House of Commons with regard to this particular matter. I suggested that if the commissioners had, over the years, given any serious consideration to the matter, they might have been imbued with the theory of "rep by pop" and might be swayed that way unduly. I did suggest, too, that I was converted from the "rep by pop" attitude a number of years ago. I went into that subject very fully at one time, and I certainly changed my mind when I came to study the Canadian scene and the redistributions that have occurred in Canada.

I want the commissioners to have in their minds the fact that in this country we never have had strict representation by population, attractive as that idea is. In fact, we have varied from it in every redistribution. We are living at the moment under the redistribution that took place about ten years ago, the ninth redistribution. There were eight former redistributions, starting from confederation. The quota per member rose from 18,000 to 54,000 when we reached the ninth redistribution, and the number of members has increased from 200 to 262. The difference in population by constituencies has varied all the way from a low of 10,000 to a high of 40,000 in the first two redistributions and from 10,000 to 80,000 or more in the six later redistributions. Prior to the ninth redistribution made about ten years ago, there was a constituency in Canada with a population of 10,000; one with 17,000; one with 18,000; and at the top of the scale there was one with 159,000; another with 115,000 and another 101,000. In all of the eight redistributions prior to the one of 1952, only one tenth of the constituencies were within the allotted quota of population, which gives hon. members an idea of the great discrepancies that have persisted.

Hon. members have pointed out the great discrepancies that persist at the present time. These are most noticeable within the large cities. These figures have been put on the record, so I will not repeat them. I am interested in attempting to use this medium to instruct the commissioners with regard to the history of redistribution in our country.

I should like them to reflect upon the exceptions that have been made to the representation by population principle. Mark you, when people in the past were talking about redistribution, they always mentioned the necessity of equalizing the many constituencies. Sir Wilfrid Laurier suggested the population should be equalized between the constituencies of Canada; that municipal boundaries should be considered and there should be a larger number of people in urban than in rural constituencies. Sir Robert Borden agreed with that attitude and added that attention should be paid to community of interest and geographical features. So, down through the years people have had these factors in mind, but the diversity has occurred year after year.

Let us not forget, as was pointed out a few minutes ago, that if redistribution takes place within the next 12 months, we will then be four years away from the census. If the election is deferred for another two years, we will be six years away from the census. The growth of the various urban and suburban populations will inflict upon certain areas the discrepancies that are apparent at the present moment. I hope to deal with that matter in a minute or two, if I have the chance.

Then, I hope that the commissioners will have in mind all the exceptions to representation by population which have been so numerous amongst our provinces. From 1914 to 1946, Ontario retained 82 seats although by 1933 she should have had only 78. This situation resulted from a special clause in the British North America Act which has since been repealed. In 1915 the senatorial floor was placed in the act which has given protection to the Atlantic provinces. When the province of Manitoba was formed a good many years ago, her population was too small to warrant even one member, but she was given four. That was in anticipation of an increase in population.

When British Columbia entered confederation her population would have entitled her to one member, and she was given six. In 1886, prior to the formation of the provinces of Saskatchewan and Alberta, the Northwest Territories were allotted four seats, although only two would have been justified on the basis of their population. In 1903 the territories were given ten members, although they were entitled to only six.

We are also familiar with the splitting of the Yukon and the Mackenzie into two seats, although their population factor would not warrant so high a representation. The commissioners should bear this in mind when they try to work out the application of representation by population. In fact, in the history of Canada we have never had it, and we are not going to have it in the future. It is not going to be strictly applied because of the tremendous growth of urban centres presently taking place, and that is why we may be making a mistake in the legislation we are placing on the statute books.

This is a one-shot effort by the commissioners. We are not making provision for a review of the constituencies in two or three years time, yet all of us realize how quickly suburban developments can be put up in this country, and how quickly thousands of people will move into a certain area.

Mr. Pickersgill: I wonder would the hon. gentleman permit a question. On June 1 each year the dominion bureau of statistics publishes estimates of population. Does he think that a commission, in working out the tolerances, should take into account the growth that has taken place since 1961?

Mr. Churchill: I think that matter should be seriously considered by the committee, in view of the fact that the finding will be made four years after the last census; but that does not answer my other problem.

Mr. Pickersgill: I merely asked the question because that is what I thought the hon. gentleman was driving at, and I agree with it.

Mr. Churchill: It is one factor that should be taken into account because, even where I live in Ottawa, a suburban development started last fall. It is going up at a rapid pace and soon there will be several thousands of people living not very far from me, on what was vacant land just five months ago. The committee should examine the bill to see if some amendments could be made along that line. But that does not answer the problem that will arise prior to the next decennial census. Supposing there is an election—and don't get nervous—in 1965, and then another one before 1971; that means there will be two elections before the 1971 census, with perhaps another following two or three years later, with the result that we shall again be out of balance.

The only answer to that problem is perhaps what they have done in Great Britain. That is why I drew attention to the experience of Great Britain, when I was speaking the other night. I hope the commissioners will examine the activities of the British people in trying to solve this problem of redistribution. They coped with it in 1944 and they amended their act in 1947, with the express purpose of relaxing the rigid formula of a 25 per cent tolerance which they had written into it. They wiped that out, and they consolidated the act in 1949. They have passed two amending bills since that time, which have not seriously upset the main basis of their operation, and I

hope the commissioners will look into their experience. In fact, I hope the committee will examine this British practice because it is a country which has had the experience of doing this for some 20 years.

As I understand it, although they do not want their boundary commissions to be changing the constituency boundaries every year, nevertheless they are in a position to make changes if the population increases at a rather great rate in certain areas, and we should be prepared to do something like that.

They also have some leeway, so far as England is concerned, with regard to the membership of the House of Commons. It is a loosely worded phrase, but it does permit them to alter the membership a little bit. This might be necessary in some instances where you require an extra seat by splitting a very large constituency. I do not see why we should not have a look at that, especially when we are putting on the statute books something that is to apply for a considerable length of time.

I would like the commissioners to look at the British practice. I would like this committee to examine the situation in Great Britain where they have their four area divisions of England, Scotland, Wales and Northern Ireland; and for Scotland, Wales and Northern Ireland a fixed number of seats has been written into the act. This has been done in order to provide for representation to less populated regions, so that they can maintain their position of representation within the House of Commons and not gradually be cut down—they will not pass out of existence—to the point where their representation would be very low.

I think a relationship can be shown between the situation in Canada and the situation in Great Britain. Here in Canada we have a situation, by the process that has been going on under the senatorial floor, which is written into the act, where the Atlantic provinces correspond to, say, Wales or Scotland, because under the floor for the Atlantic provinces the number of seats in the maritimes will not drop below 31. They will drop to 32 in this redistribution, but they will not go below 31, and even if the populations of Quebec and Ontario were to increase at the same rapid rate they have shown in the last ten years—which is about 3 per cent —the representation from the Atlantic provinces will be maintained in the house. I favour this. I think it is proper and I would not like to see that representation reduced.

Why should we not seriously consider something like that for other parts of Canada? Some hon. members have pointed out the effect the present redistribution will have on Manitoba and Saskatchewan. In 1952, by quite a bit of skilful footwork, the representation of Saskatchewan was not as seriously reduced as could have been the case. But we are now faced with the situation, pending the interpretation which the hon. member for Bow River has asked for, whereby Saskatchewan will lose four seats and Manitoba will lose one.

Here is a major discrepancy which I think we can avoid if we give serious attention to the bill before us and make a proper amendment. Under the census of 1961 the combined population of the four Atlantic provinces was given as 1,897,425. Now under the distribution of seats to which they are entitled at the present moment they will have a combined total of 32 which gives them a quotient of 59,294. Set that against Manitoba and Saskatchewan. The combined population of those two prairie provinces is 1,846,867 according to the 1961 census—only 30,000 fewer than the population of the four Atlantic provinces. The seats to which they will be entitled under the redistribution now contemplated will be 26 and the quotient per constituency will be 71,033 which is, incidentally, higher than the quotient which has already been estimated for Canada as a whole. Here, with our eyes open, we are establishing a discrepancy between two very important areas of this country. I suggest we should guard against doing so, because why should the Atlantic provinces have 32 seats in this house while the prairies provinces of Manitoba and Saskatchewan with a population almost the same, have only 26? Immediately one finds a variation of six seats as between two of the great areas of Canada. This situation is one which I think should be examined.

Then, as has been pointed out, we have a somewhat nebulous protection, which I think has been mentioned, for the provinces out there in the absence of a senatorial floor. So by 1971 it is conceivable that Manitoba and Saskatchewan representation could drop from 26 seats to 20 and that the Atlantic provinces would then have 31.

Mr. Pickersgill: I think the hon. gentleman has forgotten the 15 per cent rule. I do not think it would be possible to fall from 15 to ten in one single drop.

Mr. Churchill: We have to get a legal opinion on that 15 per cent rule, do we not?

Mr. Pickersgill: On the basis which is usually accepted, not on the interesting variant which was offered by the hon. member for Bow River.

Mr. Churchill: Interesting variants are very acceptable in this house sometimes. I am pointing out what might happen unless we

take the time to examine this bill very carefully. One does not like to be continually apologetic, or on the defence, but again let me say I am not approaching this matter on a partisan basis at all.

I have been trying to make a serious study of this situation. Twelve years ago I came to the conclusion that in the light of the history of redistribution in this country we should accept the fact that we cannot get strict representation by population, desirable as that might be, and that we should allow for area or regional representation as we already do in the case of the Atlantic provinces. I direct the attention of the committee to the fact that area representation or regional representation for Manitoba and Saskatchewan might be the answer to this particular problem. It is difficult to forecast population trends accurately. I tried to do so 12 years ago, and when I look back at my records now I see I underestimated the trend. But I did foresee the increase in population in Ontario and Quebec and the loss of seats in some of the other provinces.

It appears at the present time, however, that the increase in population in the central industrialized provinces will go ahead faster than in the Atlantic provinces or in the prairie provinces, though the population is increasing at a good rate in Alberta and British Columbia. While I am suggesting consideration of regional representation in order to avoid too great a discrepancy between two very important areas of our country, I am at the same time suggesting that this will not change the balance of power in the House of Commons. I would not necessarily restrict the increased representation which should properly go to those areas of Canada where the population is growing very rapidly. I do not advocate at the present moment a large increase in the membership of this house. That might be a mistake. At the same time, I dislike seeing a decrease in the representation of important areas of our country. This is why I am satisfied that there should be no further reduction in the representation of the Atlantic provinces.

I think it is to the advantage of parliament to have the representation we do have from those provinces. I think it is important to Canada's economy to have spokesmen here in Ottawa who can interpret the special condition of the Atlantic provinces and represent the views of their people, so that in the economic contest which goes on constantly the interests of the Atlantic provinces shall not be neglected, as could happen if their representatives were outweighed in numbers.

The same considerations apply, I submit, to Manitoba and Saskatchewan. A population increase there might not keep up with the national average. We are not predominantly industrial societies, although we are making giant strides in that direction. We shall continue along with Alberta, to be great primary producers of agricultural products. The point of view of this region requires expression here in the House of Commons—I am sure no one will deny that this is the case—and I believe its representation should not fall below what is the present total for that region.

Members of the House of Commons represent not only people; we represent the interests of an area, and economic factors. I know we say we represent everybody in our constituencies, but there are a lot of people there who wish we did not represent them. With the division of this country into ten provinces we speak from time to time with a united voice on behalf of our own provinces, even though we may belong to different political parties, and I think this provincial representation is a factor which should be taken into account.

I believe my time is running out, Mr. Chairman, and I put these matters before the committee in the hope that we may take our time over this bill. I do not mean we should stretch our considerations out for weeks, or anything like that, but I hope we will not attempt to rush it through, that there will be plenty of time to consider the subject, and that if we are able to make certain amendments we shall put ourselves in a position where the disparities presently obtaining in Canada may be considerably reduced. I close on this note—that we should look at the British experience with regard to the tolerance figure which they wiped out. We should consider approaching representation by population while at the same time remembering regional representation.

Mr. Woolliams: I wonder if I might rise on a small question of privilege. I am sure the minister would not wish to leave an incorrect impression as a result of his intervention when my hon. friend from Winnipeg South Centre was speaking. During my argument I made it clear there was no question but that section 51(5) applied on the first occasion. There was only the question whether it applied on the second occasion, the subsequent occasion. The minister left the impression that I said it did not apply at all. I am sure he did not mean to leave that impression.

Mr. Pickersgill: No, Mr. Chairman. All I meant to suggest was that the hon. gentleman had suggested an interpretation of this clause that I had never heard before; that was all.

Mr. Woolliams: If I may just finish on a question of privilege, Mr. Chairman; just

because the minister has never heard that interpretation before, if the judiciary have not interpreted it that does not mean the interpretation that has been accepted for 10 or 15 years happens to be the correct interpretation. Nor did I submit in my argument that my suggestion was right or wrong; but I asked the minister a couple of questions. I said that as the members of the House of Commons at large are not being increased and as the members of the province of Saskatchewan are not being increased, what about the interpretation of that section? I think they are proper questions. I was not questioning whether the rule applied. It has been applied in the past, and will be in the future unless it is repealed.

Mr. Pickersgill: Mr. Chairman, the hon. gentleman should not get excited about this. I think he had a perfect right to suggest a new interpretation. The fact that everybody I have ever heard of up to now thought it meant one thing does not mean that it does mean that at all. The hon. gentleman may have made a discovery like Columbus did; but, you know, when Columbus made his discovery a lot of people were sceptical.

Mr. Knowles: Mr. Chairman, I wonder whether I could ask the Minister of Transport a question. My question is based on the very interesting observations made, particularly in the latter part of his remarks, by the hon. member for Winnipeg South Centre. When I refer to the "interesting observations", I mean his suggestion that consideration might be given to area representation or something of that nature, particularly in cases when provinces like Manitoba and Saskatchewan are called upon, under the rule as it now exists, to lose seats.

My question is this: Is the government considering or, as a result of the discussion taking place on this bill, would it consider asking the house to make the necessary amendments to section 51 of the British North America Act? I suppose that in effect I am saying to the hon. member for Winnipeg South Centre what has been said already, that the bill now before us is not one that makes changes or could make the kind of changes he has proposed. But it does seem to me that his suggestion should be given consideration, and perhaps the hopeful thing or the encouraging thing to come from the minister would be the assurance that this would be considered and that, if necessary, amendments to the British North America Act would be brought before the house, so that we could work out something of the nature suggested by the hon. member for Winnipeg South Centre.

Mr. Churchill: Mr. Chairman, I am very grateful for the addition to my remarks. I omitted to mention the fact that some of the things I was proposing were of course not strictly applicable to the bill and would require an amendment, as suggested, to the British North America Act.

Mr. Pickersgill: That is exactly the point I was going to make, Mr. Chairman, that the speech made by the hon. member for Winnipeg South Centre, and particularly his references to the English commission—and I use the word "English" because they are not applicable to the Scottish or the Welsh or the Northern Irish commission, but only to the English commission—would of course be very difficult of application under the present rules in Canada because, though the commissions are directed not to make the house too large, they are not restricted as to the ceiling. We are under the constitution of Canada, where the ceiling is set out in the British North America Act as amended, and nothing we could do within the ambit of this legislation could change that.

If it was the wish of the house that the constitution be amended to change the rules that apply in the constitution and to change the proportions between provinces, of course it is possible to do that. That has been done before; it was done, in fact, in 1952. I think there are some people who suspected me of being the actual author of rule 5, and I have never been able conscientiously to deny that I had some part in devising that rule. The feeling at that time that was shared by the whole house was that because of the war and the sudden and rapid shifts of population during the war—and we did not know whether they were going to continue—Saskatchewan did represent a special case. I would point out, as an old Manitoban—and I do not think either member for Winnipeg would disagree with me—that I would find it very hard, and I think even the members from Saskatchewan would find it very hard, to suggest that Saskatchewan should have more members in this house now than Manitoba, because it is well known that, though there was a difference of 5,000 in favour of Saskatchewan in 1961, it is somewhere about 20,000 in favour of Manitoba today. I think it would be rather repugnant to any of us, as rule 5 says, to give to a province with a smaller population a larger number of members than a province with a larger population. I would think at the present time one would feel very uncomfortable about having any difference under any rules between the representation of Saskatchewan and Manitoba.

But the matters that have been raised by the hon. member for Winnipeg South Centre, the hon. member for Bow River and one or

two others are very large questions that, strictly speaking, sir, are not within the ambit of the legislation now before us, as the hon. member for Winnipeg South Centre clearly recognizes. But certainly if there is any strong demand, strong feeling, in the house or in the country that something ought to be done about these matters which have been raised, I think the government, particularly in a matter of this kind, would be bound to take notice of them. However, Mr. Chairman, I would hope that now we have had a number of general speeches we can perhaps get on to the detail of this particular case of legislation while giving consideration to these larger questions.

Mr. Woolliams: Because of your remarks you have just lost the Saskatoon by-election.

Mr. Hales: Mr. Chairman, I had just a very brief remark to make on this bill, but it being five o'clock I think I should call it five o'clock.

Mr. Pickersgill: I wonder if permission could not be given to the hon. gentleman to make his remark, if there is any hope of getting through clause 1.

Mr. Churchill: Mr. Chairman, much as I would like to hear the hon. member at the present moment, I think we should now carry on with private members' business and stick to the rules.

The Deputy Chairman: Order. It being five o'clock, and in order to permit the house to proceed to the consideration of private members' business, it is my duty to now leave the chair.

The Acting Speaker (Mr. Batten): Order. It being five o'clock, the house will now proceed to the consideration of private members' business as listed on today's order paper, namely notices of motions and public bills.

IMMIGRATION ACT

AMENDMENT PROVIDING FOR DISCLOSURE OF REASONS FOR DEPORTATION

Mr. Andrew Brewin (Greenwood) moved the second reading of Bill No. C-18, to amend the Immigration Act (disclosure of reasons for deportation).

He said: Mr. Speaker, the purpose of this bill is to bring hearings of deportation proceedings into line with principles of natural justice, into line with the solemn declarations contained in the bill of rights, and into line with the intention expressed in the Immigration Act that every would-be immigrant should have a fair hearing as to his admissibility. This bill, if it were adopted, would have the effect of putting an end to the type of proceeding which has been described as farcical by the highest courts in the land.

To explain the situation, it is necessary for me to review briefly the Immigration Act and the procedures which have grown up under that act. The Immigration Act is based upon the vital necessity, if Canada is to grow and prosper, of encouraging immigration into this country. It is also based upon the necessity of regulating the flow of immigration by reasonable restrictions. The act sets out in great detail the people who are prohibited from entering Canada. These prohibited classes include those who are mentally or physically defective, those with criminal records, alcoholics, drug addicts, prostitutes, members or supporters of subversive organizations, and those who are likely to become public charges. The act also excludes those who do not comply with the regulations contained in the act. This last prohibition is the most important of all, because I would say that in nine cases out of ten applicants are excluded by the regulations rather than by the prohibitions in the act.

The regulations, which are passed by the cabinet under the authority of the act, really lay down the main criteria of admissibility. The first stream which is admitted are those who have the skill and training which make it likely they will be able to establish themselves successfully in Canada. The second stream represents persons whose relationships to those already in Canada justify their admission. The regulations also provide for a system of documents, visas, letters of preexamination, and medical certificates. These documents can be issued by immigration officials in the country of origin. This enables the applicants to be examined so as to determine whether they are eligible for admission under the act and regulations.

The act further provides for a hearing by special inquiry officers, with a right of appeal from their decision to an immigration appeal board, or in some cases to the minister. The special inquiry officer is required by the statute itself to receive evidence, although he has some wide discretion as to the type of evidence, and to permit the applicant to be represented by counsel. He then determines whether the applicant is admissible under the standards of admission set up by the act and regulations.

I suggest, Mr. Speaker, that it is perfectly obvious that the intention was that parliament desired to provide a full and fair hearing for those who sought admission to the country. This indeed has been declared to be the fact by the courts on a number of occasions. The courts have also made it clear that a fair hearing requires the person who is threatened with deportation to be

furnished with particulars of the objections to his admission, so that he can make an appropriate answer to those objections.

It is necessary, Mr. Speaker, to refer very briefly to some of the decisions of the courts. I can tell the house that I do not propose to quote legal excerpts at great length, but in 1932 Mr. Justice Duff, who later became Sir Lyman Duff, the chief justice of Canada and one of the very greatest judges produced by this country, or by any other country as far as that is concerned, in what was known as the Samegima case, which dealt with the deportation of a Japanese immigrant, had this to say, as reported at page 642 of 1932 Supreme Court Reports:

> The jurisdiction of the board, as an investigating body, is limited to the investigation of the facts alleged, a condition, again, implying intelligibility of allegation. Indeed, unless the person concerned is to have a reasonable opportunity of knowing the nature of the allegations, what is the purpose of requiring his presence? The deportation order must fully state the reasons for the decision, in respect of the allegations. The spirit, as well as the frame, of the whole statute, evinces the intention that these provisions are mandatory.

Then he went on to make this observation:

> I gravely fear that too often the fact that these enactments are, in practice, most frequently brought to bear upon Orientals of a certain class, has led to the generation of an atmosphere which has obscured their true effect. They are, it is needless to say, equally applicable to Scotsmen. I admit I am horrified at the thought that the personal liberty of a British subject should be exposed to the hugger-nugger which, under the name of legal proceedings, is exemplified by some of the records that have incidentally been brought to our attention.

I want to inform the house, Mr. Speaker, that the "hugger-nugger" to which the learned jurist referred is still going on. In fact, it is not only on but it is the normal procedure.

Later the immigration department found a new way to get around the requirement which was indicated by the judge, namely the requirement of a hearing. This was revealed in the Brent case, which was heard by the Supreme Court of Canada. I am very conscious of this case, Mr. Speaker, because I was the successful counsel in it. Mrs. Brent was a young lady who lived in Buffalo and she wanted to marry a Mr. Brent who lived in Toronto. The department of immigration refused to admit her. The real reason was that she was suspected of Trotsky-ite associations, but this was not stated in the order of deportation. The reason put forward was that she had failed to comply with the regulations in that a special inquiry officer had deemed her to be unsuitable for admission to Canada by reason of the economic, social, industrial, educational, labour or health conditions prevailing either in Canada or in the country from which she came to Canada. She asked what these conditions were and why objection was taken to her, and she was told: "You can read the regulations".

The courts, and finally the Supreme Court of Canada, struck down that regulation on the ground that parliament had delegated to the cabinet and not to special inquiry officers the right to set up the standards of admissibility to Canada. They also held that before a person is ordered to be deported he is entitled to know the objections to his admission in order to give him a fair hearing; and Mr. Justice Rand in the Supreme Court of Canada described the proceedings in that case as farcical. Again I say that these same farcical proceedings are carried on to this day.

After this decision the immigration department found a new and ingenious way to get around the intent of parliament. The present Minister of Transport (Mr. Pickersgill) was then minister of immigration. I do not know whether he was responsible for this ingenious way of getting around the decision of the supreme court, but the method was as follows. It was provided by regulation that before anyone could be admitted to Canada they had to have a visa, a letter of pre-examination and a medical certificate. The only people who could provide these documents were the immigration officers; and the only people who could provide a medical certificate were the doctors appointed by the department. So that when it was decided to exclude a person, for whatever reason or for no reason, the would-be immigrant would be refused a visa or a letter of pre-examination. Or they would not be allowed to get an appointment to see a medical officer. Then they were solemnly deported on the ground that they did not have the piece of paper which the immigration department had refused to give them, and refused to give them without giving any reason for so doing.

Then a hearing is held and the hearing is concerned with whether they have this piece of paper. They are solemnly sworn in and are told they are entitled to have counsel, but the only question that comes before the special inquiry officer is, "Have you got this piece of paper?", which he knows you have not got because he is the only person who can give it to you, and he has no intention of giving it to you. The result of this so-called hearing is a foregone conclusion.

I have before me a typical case of the reasons why a visa is refused. It is a letter sent out a week or two ago to a Canadian who wanted to bring his brother and his family to Canada. This is what the letter says:

> Information has been received that the above named—

The brother and his family.

—cannot meet requirements for admission to Canada. It is regretted that a favourable decision is not possible.

That is all. In other words, all the information you are given or are entitled to receive is information to the effect that you do not meet the requirements of the Immigration Act.

I can give the house an illustration of a typical case under this particular regulation. I mentioned it during the discussion of the estimates of the department last session. It is the case of a Scots lady. She had come to Canada to rejoin her first husband whom she had divorced. When the immigration department found out about that she was ordered to be deported. There was a hearing on the matter and the ground that was given to her was that she did not have a letter of pre-examination. She was asked: "Do you have a letter of pre-examination?" She had to say no, of course, that she had never even heard of a letter of pre-examination. So she was solemnly ordered to be deported because she did not have this letter of pre-examination. After the hearing was over she spoke to the immigration officer and he told her the real reason. The real reason, he said, was that she was living in sin with her previous husband. He said: "That is the real reason you are not be allowed into the country".

The procedure of refusing admission by reason of failure to have a document, which in turn is refused without any reason given, has received the legal imprimatur of the Supreme Court of Canada, with Mr. Justice Cartwright dissenting, in the recent Espaillat case. But because the department can now claim that it has the legal power by this device to effect the deportation of people without any real reason therefor does not make it right. Indeed in my submission it is very wrong. It denies the elementary principle of justice. It deprives the hearing prescribed by parliament in the act of any reality. It is totally inconsistent with the bill of rights passed by this parliament. I remind the house that section 2 of the bill of rights provides that no law of Canada shall be construed or applied so as to deprive a person of a right to a fair hearing in accordance with the principles of fundamental justice for the determination of his rights.

The fundamental right to a fair hearing is contained in thousands of cases. The sort of practice we now have and which we are now discussing is a cloak behind which people can be refused admission on any discriminatory ground that the officials see fit to employ. In addition, refusal of admission to Canada without grounds given can mean that someone may be excluded, shall we say, because of malicious gossip, in some cases mistaken identity in the country from which they came, some incidental attendance perhaps at a communist meeting, a mistaken police report. Any of these things, undisclosed to the applicant, can be used and are used from time to time as a reason for the refusal to admit people into this country.

These are real rights, Mr. Speaker. They are human rights. These cases are cases of husbands seeking to bring their wives to this country or parents seeking to bring their sons or daughters to this country. They are rights which are not only human rights but rights conferred by the statutes of Canada, and those rights should not be denied without the opportunity for a hearing. The fundamental elements of a fair hearing are contained in thousands of cases, are summed up in the Latin maxim, *audi alteram partem*, and were expressed by Sir John Fortescue in his quaint English way in 1723 when he said:

The laws of God and man both give the party an opportunity to make his defence. I remember to have heard it observed by a very learned man upon such an occasion that even God himself did not pass sentence upon Adam before he was called on to make his defence. "Adam" says God, "where art thou? Hast thou not eaten of the tree whereof I commanded thee thou shouldst not eat?

As Sir John Fortescue says, the same question was also put to Eve. The purpose of my bill, Mr. Speaker, is a simple one. It is that expulsion from Canada, this other Eden, this demi-paradise, if I may borrow a Shakespearean phrase, should not, any more than the expulsion from the original garden of Eden, be without an opportunity to answer any adverse allegations that may be made. The purpose of the bill is to re-introduce the fundamental right that a fair hearing shall be given to a person whose rights are being dealt with.

I can anticipate some of the arguments that may be made on the other side. I am glad to see the Minister of Citizenship and Immigration (Mr. Tremblay) in the house. He has not been in office very long. I hope his term of office will be one of substantial reform in this field. I know these matters are not simple. There are arguments on the other side about security, but in my view security grounds are no excuse for the denial of fundamental rights. Indeed, security reasons really do not have much to do with this matter. Even in time of war when people were interned they were given the reasons why they were interned, after they were interned they were given a hearing at which the reasons for their internment were disclosed. You cannot tell me that all sorts of people should be denied the right to know why their sons and brothers cannot be

brought into this country by the simple edict: You do not meet the regulations and we will not tell you why. That was never the intent of parliament.

I have become sufficiently familiar with the proceedings of the house to know that I would be over optimistic to expect this bill to be passed in the brief hour that we have to discuss it. But I do urge hon. members of the house, particularly the government members who happen to be here, that they urge that this blot upon the administration of our immigration law that goes to the very root of the administrative process be removed. The present procedure—perhaps I have tried to detail too technically how it works out—has the result that an arbitrary administrative decision can be substituted for the process contemplated in the Immigration Act and by parliament itself. I do urge upon those members who are listening to me that if they agree with some of the things I have said they make sure that the minister thoroughly understands their position, so that in due time when he has become more familiar with his duties as minister he may himself bring legislation before the house which may incorporate the basic and fundamental principles provided in the act.

Mr. Eldon M. Woolliams (Bow River): Mr. Speaker, I want to congratulate the hon. member for Greenwood (Mr. Brewin) on bringing forward this bill. I agree with him and I want to incorporate his remarks in mine so I can be quite brief. I should like to draw the analogy immediately that the same problem arises when certain people in this country apply for citizenship. I have said this ever since I have been a member of the House of Commons, even when the Conservatives were in power, and I still want to repeat it now that the Liberals are the government.

I am convinced, and I say this with respect, that the procedure has become a bureaucratic frustration of justice in relation to a fair hearing on a deportation order and a fair hearing on the rejection of a citizenship application. There are hundreds of people in this country who have been refused citizenship. After a certain period of time, the act provides that they can apply again. Sometimes their application is accepted, they pass the judge's hearing and the application gets down to Ottawa. Then, because some file exists that only the bureaucrats and the minister can see, this person is refused citizenship in this country. Surely, a person has a right to a fair hearing to find out what the evidence against him is.

I can give one example. I know a man in my own riding, and I am not going to give his name, who has applied twice for citizenship. This man's father was a citizen, but because this man went over to Europe, for some technical reason he has to apply for citizenship and has been refused. The only reason for the refusal that we can find, and this is hearsay because we cannot examine the file, is that he attended a meeting of Tim Buck's in East Coulee or some other place. I recall that when I was practising law in the town of Tisdale I went to hear Dorise Nielsen, who was a good friend of Tim Buck. I heard her on many occasions, but I did not go there because I was a supporter of Tim Buck. I have always been a Conservative. I am certain, whether this man attended one of Tim Buck's meetings or not, he should have been given a fair hearing. If the refusal of his application for citizenship is based on the fact he is a communist sympathizer, then he should be told of this so he can meet it. How can you meet something if you are never presented with it, if you can never go before a board and say, "What have you against my becoming a Canadian citizen?" There may be five points presented and the applicant cannot answer them. Somebody can judge whether or not he is a credible witness with reference to those five points.

It seems to me, and I say this with respect, that this particular department has a tendency in this direction. I agree with the hon. member for Greenwood (Mr. Brewin) that this word "security" is used rather loosely. We are told questions cannot be answered because of security reasons. This department is flaunting the law. This bill would not be before the house if the department would implement the law as it is. As I understand it this bill really is directed at a hearing by a special inquiry officer who settles doubtful cases referred to him by an immigration officer. His duties are found set out in sections 23 to 29 of the Immigration Act, being chapter 325, volume V of the revised statutes of 1952. If he finds that a person seeking to come to Canada is not eligible under the regulations, he makes a deportation order.

The Immigration Act does not require a special inquiry officer, or other appeal authority, to state the reasons for deportation. However, the forms include a space entitled, "Reasons for Rejection". As the hon. member for Greenwood pointed out, there are judicial decisions to the effect that reasons for deportation should be given in words. The department has got around this ruling, as the hon. member for Greenwood says, be refusing to give him an immigrant's visa, or something else. They say, "You have not got this document that only the department can supply; you have not got it, so then you have not won your case. Your appeal is dismissed." What a terrible usurpation of natural justice.

There are two decisions referred to in connection with this matter. One was referred to by my good friend from Greenwood. The first reference is re Offman, 62 D.L.R. 223, 1921, and the second is re Samegima, 3 W.W.R. 56, 1931. These cases, as mentioned by the hon. member for Greenwood, state that it is not sufficient reason to say that the applicant is in Canada contrary to the provisions of the Immigration Act and effected entry contrary to the provisions of section 33, subsection (7) of the said act. These decisions have been followed in recent cases. However, the sponsor of the bill claims that the reasons now being given are that the applicant does not possess an immigrant visa, a proper medical certificate or some other document. Since the immigrant visa can be refused without reason being given, since the medical certificate can be refused without reason being given, the result is the same. In other words, the department and its officials are usurping the law of Canada, the law laid down by the parliament of Canada.

I want to repeat that I believe it is high time that, in a democracy such as Canada, people who apply for citizenship, who have served Canada in many different ways and have been here 20 or 30 years, were given reasons for the refusal of their citizenship. If one reason is, "You are a communist and you cannot become a citizen of Canada", then that person should be told this. He should be told he does not qualify because of security reasons, not because he attended some meeting or did something while at university. This is getting down to the level of McCarthyism. I am not blaming the minister particularly, because some of the ministers before him have not done anything to remedy the situation. People come to the offices of members of parliament or go to the offices of lawyers in the various cities, but no one can get information for them. The department is breaking the law. The law is not being enforced in Canada.

I support the bill wholeheartedly. As I say, I am not blaming the minister, because this dirty linen was on his doorstep when he took over. However, it is high time somebody cleaned up this situation. How can we expect new citizens to apply for citizenship or to value democracy when the department is usurping the law? I want to repeat that this is a bureaucratic frustration of justice and it is up to us as members of parliament to speak out against it. I support the bill and I congratulate the hon. member for bringing this problem before the House of Commons.

Mr. Hubert Badanai (Parliamentary Secretary to Minister of Citizenship and Immigration): Mr. Speaker, I have followed with considerable interest the comments of the hon. member for Greenwood (Mr. Brewin) who introduced this bill. The bill purports to require of the department the reasons for deportation beyond the lack of a visa or other document, et cetera, and that they be given in each case where deportation is ordered under the Immigration Act.

The explanatory note attached to the bill reads as follows:

> The purpose of this amendment is to give reality to the hearing by a special inquiry officer provided for by sections 27 and 28 of the act and to put an end to proceedings in which the only issue in the hearing is whether or not an applicant has an immigrant visa or other document, which can only be granted to him by officials of the immigration department and which are refused without reason.

It seems clear to me from the explanation given that the bill is intended to operate in those cases, principally if not entirely, where visitors to Canada apply for the privilege of permanent admission or, in any event, refuse to leave Canada in accordance with the conditions governing their original entry. In such cases the individuals do not have in their possession an immigrant visa or other document prescribed by the regulations as being prerequisite to securing "landed immigrant status".

The explanatory note contains two inferences which I do not think I can let pass without comment. The first of these is that the department withholds immigrant visas or other documents, and orders deportation without reason. This, if taken at face value, would certainly indicate a complete lack of responsibility on the part of the department, absolutely at variance with the facts. The department takes a very serious view indeed of the whole matter of deportation and I can assure hon. members—

Mr. Brewin: On a point of order, may I say to the hon. member that the statement they refuse without reason does not mean it should be without reasons given. I am not suggesting that the department acts without reason.

The Acting Speaker (Mr. Batten): I cannot accept the hon. member's point of order as a point of order.

Mr. Badanai: The hon. member takes exception to my statement that his bill refers to deportation without reason, and I would point out that this is not true. The department takes a very serious view of the whole matter of deportation, and I can assure hon. members that deportation proceedings are not instituted without good reason. The second implication, which is another interpretation, is that the possession of a visa or other document is really not important in itself, and some other substantive reason for deportation is required.

Mr. Speaker, I should like to make it perfectly clear that in all deportation cases, the reasons for deportation are given. These reasons may be the lack of visa or other documentation.

Where the lack of visa or other documentation is given, and this seems to be the core of this issue, according to the hon. member the implication is that this is not good enough, in that the department must prove the individual is being prohibited under some other section of the act or regulations as well. This ignores two essential and fundamental areas in immigration as it applies to Canada and to most, if not all, other countries of the world.

The first of these areas is concerned with the necessity of conducting immigration in a fair, orderly and efficient manner. The administration of the legislation related to immigration—and this includes the admission and control of those seeking permanent admission as immigrants as well as visitors—is a much larger and more complicated job than is generally realized. This year, for example, we expect to receive more than 100,000 immigrants. Our aim is for a greater increase. We also expect that in excess of 30 million visitors will come to Canada in 1964, the United States contributing the major share of this influx.

I should like to say that I have a great deal of sympathy with the principle and the reasons for the hon. member's introduction of the bill under discussion which, in effect, proposes an amendment to the Immigration Act that would reveal the reasons for refusals by the department in granting an immigrant visa, or admission to Canada as a landed immigrant, or where deportation is ordered because of the lack of an immigrant visa. As everyone appreciates, it is the responsibility of nations to decide who shall be admitted to their territories, and to take considered measures to allow in the number and character of people who wish to enter as permanent residents.

A word about the concept of immigration to Canada, and the assignment of responsibility in the application of legislation may be of interest to hon. members, who may not be familiar with it. When the present Immigration Act was before a committee of the house prior to its passage by parliament, considerable discussion took place. The present act was passed in 1952, and replaced chapter 93 of the Revised Statutes of Canada, 1927.

At that time, and in line with previous concepts of immigration to Canada, it was the almost unanimous view of members that immigration generally should not be a matter of law, contestable before the courts in individual cases, but a matter basically of ministerial responsibility. The legislation itself reflects this concept to a very considerable extent. The minister is responsible for explanations of policy and for the administration of the legislation. Naturally, the minister is accountable to parliament for his conduct of the serious and onerous responsibilities placed on him. Having regard to these principles then, a visitor to Canada has no "right" to gain permanent admission to Canada and the department, through the minister, must accept responsibility for refusing permanent admission where this occurs.

The government is actually encouraging people from other countries to visit Canada. On February 21 of this year a 15 man group representing the Canadian travel industry, and sponsored by the travel bureau of the Department of Trade and Commerce, visited the British Isles, West Germany and France, for the purpose of stimulating visits to Canada. They especially appealed to hunters, fishermen and skiers, and invited European travel writers and travel agents to visit Canada.

I am informed that this travel trade mission, during the three-week tour, had arranged 20 Canadian holiday presentations and meetings and held nine press conferences, which received excellent publicity. Several members participated in television and radio interviews. Good will toward Canada was evident everywhere they went, and preparations are being made by the travel bureau to launch a comprehensive program to attract visitors from Europe for the 1967 centennial celebrations.

It is only natural that with an ever increasing stimulation for travel, with low cost air transportation available almost for every purse, it is comparatively easy for anyone to visit Canada. In these days of rapid communication and greatly increased international travel, Canada has been endeavouring to reduce to the greatest possible extent, consistent with the national interest, formalities required of visitors to this country. In this direction, within the past two years Canada has waived the non-immigrant visa requirements for visitors from all major western European countries seeking entry for three months or less.

This is a desirable step. However, in addition to increasing the traffic of genuine visitors, it also provides an opportunity for those who have been refused immigrant visas abroad for good reason, to come to Canada ostensibly as visitors and then seek to remain. The arrangement can also be used by

persons who hope to gain permanent admission but who are unwilling, for their own reasons, to follow established immigration procedures which would involve applying for immigrant visas abroad.

They hope to gain a special advantage for themselves over their compatriots by securing temporary entry to Canada and then demanding permanent residence. These practices are not restricted only to persons who enter without non-immigrant visas, but the concessions granted can make Canada vulnerable unless careful control is exercised. And it seems to me that most of these cases of deportation stem from this group of visitors, who come to Canada as visitors. In most cases they are visiting relatives and then they apply for permanent residence.

To administer the legislation related to the admission of immigrants, the government has established quite extensive facilities abroad. In some areas the Department of Citizenship and Immigration has its own visa officers and in other regions it has co-operative working arrangements with the Department of External Affairs and British posts to service prospective applicants in their country of residence.

All this is designed to provide for the pre-examination of prospective immigrants where the necessary background inquiries can be made. To attempt to complete this task in Canada on any general scale would lead to administrative chaos and loss of effective control of the immigration movement. In brief, control, not only of individual admissions but of the over-all movement, is dependant to a substantial degree on the immigrant visa or its counterpart, the letter of pre-examination.

In order to establish the fact that we have competent officers in charge of these examinations, let me give the house an example of their qualifications which, I am sure, will be of interest to all hon. members. Senior officers in charge of posts abroad are required to have the qualifications, experience and demonstrated ability to administer a post, including the supervision and direction of other officers engaged in visa offices and informational activities. As a means of improving the calibre of the staff abroad a new class series has been approved for the overseas service, with the mandatory requirement of university graduation for appointment to the career service.

These qualifications require university graduation and a minimum of four years experience, two of which must have been in a responsible capacity overseas as a visa officer or in the counselling or informational areas of work, plus a broad general knowledge of Canadian government, economy, geography, society, people and institutions, and possessing an ability to assess, counsel and deal satisfactorily with people under all circumstances, including competence in dealing with groups, ability to participate in public meetings, film shows and speaking engagements.

Prior to posting abroad, all officers receive intensive training in the specialized fields related to the assigned post and are given an extensive tour of Canada, including discussions with responsible officials in government, industry and business on every aspect of the Canadian economy, to equip them to provide factual information to potential newcomers.

I might add that members of the legal profession are called upon to act in particular situations as special inquiry officers at each regional headquarters under the following conditions: (a) when indications are that the case may be contentious; (b) cases where an inquiry has commenced with an immigration officer and subsequently develops into a contentious case; and (c) almost all cases where the appellant is represented by counsel.

Where an immigration officer in the field becomes aware of a person who may be deportable under section 19 of the Immigration Act, an investigation is made and a report, with related documents, is forwarded to the immigration branch headquarters. If the director, immigration branch, considers that the situation warrants it, he orders an inquiry to be held.

Where an appeal results from an order of deportation following an inquiry or further examination, it is dealt with directly by the immigration appeal board. The appeal board is headed by a member of the legal profession who is a Q.C., and the other members are senior officials.

When the board reaches a decision its findings and recommendation are referred to the minister and the case is reviewed on his behalf by a senior immigration official to determine if the outstanding order is to be implemented or if proceedings are to be deferred. If the minister decides that deportation is to be carried out, administrative arrangements are made under the supervision of the head, deportation section, admissions division, branch headquarters.

The immigrant visa or letter of pre-examination are the only effective means of control and their lack must be sufficient reason for deportation if efficient administration in the national interest is to be maintained. The alternative is to re-instate the non-immigrant visa requirements and in the case of all visitors, conduct a rigorous and searching examination to determine whether, in all respects, they can meet the requirements of

the legislation. The effects of such procedures, which I would certainly not recommend, would be unwelcome to say the least.

Apart from the extremely important problems of control and administration, there are other reasons for using the lack of visa alone as the cause of deportation, for instance: (a) The individual may have a medical condition, e.g. a social disease, which would make him prohibited from entry under the act. It would be embarrassing to the individual to reveal this. (b) The person may have benefited from an amnesty for a conviction in his past life. The conviction in itself could bring him within the prohibited class. To use it as a cause for deportation, however, exposes the situation and can cause serious harm to his reputation and personal interests.

I realize that if it is at all possible to do so it would be desirable to tell an applicant whose application for admission has been refused the reason for the rejection of his application. I must say I have an open mind on this and I can assure the hon. member that considerable attention will be given to some of the suggestions he has made, provided this can be done in accordance with the best interests of the individual concerned, and of course in the interests of Canada. I should like to inform the house that this matter is now under searching examination by those responsible for the administration in an effort to resolve this difficulty in as just and equitable a manner as possible, having regard to all the legitimate humanitarian and other circumstances involved.

The hon. member for Greenwood (Mr. Brewin) said the bill of rights had something to do with this. I wish to make it clear that the bill of rights does not affect the validity of a deportation order properly issued under the law. The bill of rights simply ensures than an individual is given all the safeguards which are contained in the law. The hon. member for Bow River (Mr. Woolliams) referred to certain situations where an applicant for Canadian citizenship is refused that status and is not informed of the reasons for refusal. I can assure the hon. member that the minister will look very closely into that complaint in connection with the examination of citizenship procedures now under way.

It is difficult to make generalizations about matters of this kind. However, hon. members can be certain that there is no desire on the part of the minister or the department to act in an unnecessarily arbitrary or bureaucratic manner as suggested by the hon. member for Bow River. At the same time, parliament has placed on the minister of this department the responsibility for exercising discretion in the granting of admissions. This is not an exercise which the minister takes lightly and while it may not be in the public interest to give explanations in detail in all situations, hon. members may take it as a matter of record that a very exhaustive examination of the circumstances is undertaken before a decision is reached on matters of accepting landed immigrants.

It is not the intention of this government to deny to applicants for citizenship any privileges which, in conscience, they may properly be granted and as I have indicated, the department will again look into this matter to determine what, if anything, might be done with respect to methods introduced for the examination of applicants for citizenship in the future.

Mr. Reynold Rapp (Melfort-Humboldt-Tisdale): It gives me great pleasure to say a few words on this bill, No. C-18, introduced by the hon. member for Greenwood (Mr. Brewin), and I should like to say at the outset that I congratulate him on having brought this measure forward. I have no legal training and I cannot make such an eloquent presentation as my hon. friend from Bow River (Mr. Woolliams) has made. At the same time I should like to say there is much merit in the bill which the hon. member is asking us to consider.

Every member of parliament at one time or another has been confronted by people who came to this country and afterwards applied for citizenship papers and were refused citizenship. Every member of parliament at one time or another has been confronted by people who have received notice of deportation. I think our Department of Justice and our Department of Citizenship and Immigration should give serious consideration to having some changes brought about in our immigration laws.

First of all I think they should employ people to study the psychological behaviour of the immigrant. It is not the easiest thing for an immigrant coming from Europe or any other country to adjust himself to a new life and new customs. There is no question that some immigrants take a long time to break their ties with the old country, and because of this they may do something which later on they regret. Our officials should give serious consideration to these matters, because I know people who have said what they should not have said but as time has gone on they have adjusted themselves to our way of life, our country, our customs and our regulations and have become different people altogether.

I know of cases where immigrants who applied for citizenship were refused this privilege and who at the same time were

raising families born in this country. I know of a husband who has not received his citizenship papers, but his wife, the mother of the family, has received them. As I said, sometimes these people make mistakes. For this reason, Mr. Speaker, I do not think this system should continue from year to year. And what is much worse, these immigrants are not given an explanation for their citizenship papers having been refused, and sometimes when they are deported they are not given the reason for their deportation. We have in this country a bill of rights. The bill of rights should not apply only to the Canadian citizen; it should have the same applicability to a landed immigrant. He too should have the right to present his case, and if injustice has been done it should be corrected.

I am very much in favour of this bill, Mr. Speaker. I hope it will come to a vote, or if not, that at least it will be presented to a committee so it can be discussed in detail. I see that I have very little time left. I would definitely like this bill either to come to a vote or be referred to the appropriate committee. I am very pleased that I have had the opportunity to say these few words on this bill.

Mr. J. J. Greene (Renfrew South): Mr. Speaker, first of all I should like to commend the proponent of the bill. I think its subject matter is certainly important and pertinent at this time. I should also like to commend the last speaker, the hon. member for Humboldt-Melfort-Tisdale (Mr. Rapp). I think that in his address to this house we heard a very moving plea for the subject matter of the bill, and I think those of us who are interested in its subject matter are particularly interested by reason or virtue of some association we have had with persons who have become citizens of this country and have played such a very great part in its development and growth. In fact, some of those people who were new citizens not too many years ago have even become members of this honourable house. I often wonder how many other good men and women we have rejected who might have made a contribution just as effective, just as important, as have some of those good men and women, simply because our procedures were too restrictive, simply because while on the one hand we preached the doctrine of the necessity of immigration, on the other we did very little in the past to encourage it, to make the road easy, to make the road just, to make the road equitable.

As is the case with other hon. members, I do not associate the present minister and his associate with this situation. They have not yet had time to do to the immigration policy, practices and procedures what we hope will be done during their tenure of office, namely make them broader, wider, more just, and make the procedures such that for the first time they are up above the table, instead of down below somewhere, where we have to crawl on our hands and knees to find among the dust why people have been precluded from entering this country in the past. I do suggest, as the parliamentary assistant said, that this is not as simple a procedure as would be a courtroom procedure. However, I think we have all known of cases where, for reasons unknown and for reasons undisclosed, immigration was not permitted. I have seen, in my limited association with this department over the past ten years or so, several ministers who intended fully when I spoke to them to correct these things. I have heard them publicly on many occasions deprecate the fact that immigration must be in some way hidden. They have said that the reasons for refusal of permission to enter the country or to stay here as a citizen should be brought out in the light of public disclosure where a person would have, as he has in any matter affecting civil rights otherwise, the right to defend himself or herself, the right to hear why he or she is being refused.

I know that many ministers in good faith and with the best of intent have intended in the past to remedy this deplorable situation that has existed for so long; but somehow the weight of bureaucracy, of circumlocution of the department has been too much for their efforts. It is to be hoped, with this new enlightened government and with this new minister who is, I know, keen to do these things, and who has the very able help of his experienced parliamentary assistant, that under this administration we will succeed in remedying this situation which lesser beings have not been able to do in the past.

The Acting Speaker (Mr. Batten): Order. It is my duty to inform the house that, the hour appointed for the consideration of private members' business having expired, the house will now resume the business interrupted at five o'clock.

REDISTRIBUTION

PROVISION FOR BOUNDARIES COMMISSIONS AND READJUSTMENT OF REPRESENTATION

The house resumed consideration in committee of Bill No. C-72, to provide for the establishment of electoral boundaries commissions to report upon the readjustment of the representation of the provinces in the House of Commons and to provide for the readjustment of such representation in accordance therewith—Mr. Pickersgill—Mr. Batten in the chair.

On clause 1—*Short title.*

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

Mr. Hales: Mr. Chairman, I should like to deal with one subject in particular before we leave clause 1 of this very important bill dealing with redistribution. Before I proceed with the point with which I wish to deal—that is, one commission versus ten commissions—I think it might be in order to point out that this bill appears to be in four major parts. There are two points on which the committee seems in agreement, agreement not yet having been reached on the other two. The committee seems to be in general agreement on the non-partisan approach to this whole matter of redistribution. We appear to believe in the principle of referring the adjustment of electoral boundaries to a judicial tribunal, with rules for that tribunal. The other matter we seem to be in general agreement on is that parliament should have the final word. The two points on which we do not seem to be too close as yet, are those dealing with the percentage of tolerance to be applied, and as to whether we should have one central, national, independent commission or one commission in each province.

I should like to confine my remarks to this question of the number of commissions. I think that if we were to have ten different commissions across the country we could not help but have ten different viewpoints. We would have great difficulty in reconciling the viewpoint of say, Prince Edward Island with that of, for example, British Columbia. I think that if we were to have ten commissions we would have no continuity of thought. Uniformity would be lacking in this whole matter of redistribution. I know that the minister who introduced this bill feels that more time would be taken if we had only one commission as compared with ten. I am not so sure about this. I do not agree with him on that point. It has always been my experience that if a matter requires to be discussed in an organization of any kind, you can get the work done, and much faster, by one commission or committee than if the matter is delegated to ten different committees.

The minister has emphasized this matter of time. I do not think time is the most important consideration at this time. We should be very careful to take all the time that is necessary in order to do a good job. We should compare this question of ten commissions versus one with a sales organization which might be considering opening up sales areas in all parts of the country. This sort of project would be mapped out in the head office. Perhaps a sales manager would go across the country to break down the sales areas; but there would be more direct and closer contact with them with a central office than if there were ten offices scattered across the country. This analogy can be applied to the question of setting up ten commissions across the country. Also, we must realize that any commission will only be as good as the men appointed to it.

Nothing has been said so far about the great duplication which is going to take place. If we have ten commissions we will require ten of everything.

Nothing has been said in this committee about the cost. It is high time someone in this committee, preferably someone on the government side, stopped and considered the cost of some of the activities being carried on in government these days. We have a great opportunity at this point to stop and think of the cost of ten commissions compared with one central, independent commission.

As hon. members are aware, the commission to be appointed in each province will be made up of four persons. There will be the chairman. No extra costs will be involved here, because his salary will be paid through the courts. Both the government appointee and the opposition appointee are to be paid. According to this bill they are to be paid a per diem rate, and also travelling and living expenses. If we take a look at the cost of the per diem, we will find that a figure of $100 a day is what is paid by the C.B.C. to such commissions. Perhaps $50 a day would be an average figure. If we take this figure for the two appointees, assuming that the commission was in operation for a whole year an expenditure of some $25,000 is involved.

As I say, there would be four members to each commission. If travelling and living expenses for the ten commissions were calculated at the moderate amount of $25 a day, this would add up to another $25,000. Ten commissions would require ten offices. Miscellaneous expenses would also be incurred. We are going to need secretarial help in all of these offices. The representation commissioner will have to travel across the country. I have taken nominal figures for each of these items, and one single commission will cost approximately $69,000. Multiply that by ten and you have an amount of $690,000 representing the cost of operation of ten commissions across the country—a conservative figure, I would say.

If you think this is out of line, Mr. Chairman, let me refer you to our own blue book of estimates for the last fiscal year, 1963-64. According to page 362 the royal commission on banking and finance cost this country $199,300. The commission on health services cost $275,500; another commission on pilotage cost $301,220. If you add these figures and take the average you will find it is approximately $258,000. With the setting up of 10 commissions costing $690,000, less, say $258,000 for one central commission, it would cost roughly $432,000 more than if we had one central commission. I venture to say that before all these commissions finish their work it will cost the country half a million dollars more to have ten commissions than if we had one central commission. I bring this to the attention of the committee because no one has mentioned the cost of ten commissions as opposed to one and it is a point that should be given serious consideration.

There are many other things I might say about the bill but they have been discussed very well. I do not think we should be in too much hurry with this legislation. We must be sure that we do a good job because it will be another ten years before it is revised. With a population of 19 to 20 million people Canada is overgoverned now. If you ask the average Canadian citizen he will tell you we are overgoverned. Personally I hope that when this redistribution is finished we will have no more than 265 members in the house. I think the average Canadian citizen would like to see fewer members rather than more.

I commend the minister for bringing this legislation before the house. As I said at the start, we believe in the non-partisan approach and a judicial tribunal with rules for its guidance. We agree that parliament should have the final say. I hope that before the bill passes, the committee amendments will be made in respect of the tolerance figure because the fact is that rural ridings, because of their very nature, should not be required to have the same population as urban constituencies. I have expressed my views why there should be one independent national commission. One commission can do just as thorough a job as the very costly and expensive set-up of ten commissions throughout the country. Having in mind the few amendments that I hope will be made to the bill, I am sure we will enact legislation that we will be proud of and that future generations will thank us for it.

Mr. Muir (Lisgar): Mr. Chairman, one problem which I find rather disturbing was presented to the committee very ably this afternoon by the hon. member for Winnipeg South Centre. I refer to the matter of unequal representation as between similar areas of the nation. I do not think anyone can quarrel with the minister's statement that Manitoba and Saskatchewan, having equal population, should also have equal representation. However, I was intrigued by the comparisons made by the hon. member for Winnipeg South Centre in which he showed that the combined population of Manitoba and Saskatchewan is almost equal to that of the Atlantic provinces. It seems to me that in all fairness an amendment should be made to section 51 of the British North America Act establishing a formula whereby the provinces losing seats would be protected to the extent that no serious discrepancies would be allowed to exist between areas as far as representation is concerned.

As I have said, no one can seriously quarrel with the fact that Manitoba and Saskatchewan should have equal representation, but as these two provinces encompass a large part of central Canada it is reasonable to assume that in regard to representation a comparison with the Atlantic provinces could be made. As mentioned by the hon. member for Winnipeg South Centre, redistribution would leave Manitoba and Saskatchewan with 26 seats compared with 31 for the Atlantic provinces, although the populations of the two areas are almost equal. Under these circumstances I think the government should give consideration to amending section 51 of the British North America Act to give Manitoba and Saskatchewan an electoral floor of 14 seats each. The elected representatives of the people for that area would have a far better opportunity to keep in close touch with their constituents than would be possible with an enlargement of the constituencies to any great extent. With any further enlargement it would be almost physically impossible to provide proper representation.

Aside from the question of the vastness of the constituencies I am particularly disturbed about the representations concerning the constituency of Churchill, a riding which takes in two thirds of the province of Manitoba and yet would fall far short of a quota. Any enlargement of that area would simply make it physically impossible for the member to do the job he is expected to do as the elected representative. There is also the factor of rivers and the lack of access roads which constitutes a real problem. I hope these matters will be taken into consideration by the commission when it is doing its work.

Every province, of course, will face the possibility of losing some of its historic ridings in the shuffle. This is not only to be regretted but, if possible, it should be avoided. I am not going to mention particular ridings but there are

ridings of that nature in every province, some dating back to the time of confederation. I believe, however, that Manitoba and Saskatchewan have a special problem, representing as they do a large and important part of the Canadian economy. The minister is a native of the prairies and I should like to appeal to him to bring to the attention of the government the particular problems of the prairie constituencies where the populations are smaller and the areas to be represented are vast I hope the minister will provide this information to the government and bring to their attention the necessity of giving serious consideration to providing equal representation as between these two prairie provinces and the Atlantic provinces.

We in the prairies do not expect miracles to happen, but there have been times since confederation when special compensations have been made because of certain features which would make it impossible for the area concerned to have the proper representation. I hope some consideration will be given to an amendment to section 51 of the British North America Act to put a floor under those provinces which are expected to lose members as a result of redistribution. I do not believe it is unreasonable to expect that in the case of Manitoba and Saskatchewan, with equal representation, this floor should be 14 members.

Mr. Enns: I should like to make a few brief comments on this subject. I want to echo pretty well what my colleague from Manitoba, the hon. member for Lisgar has just said. I do feel that Canadians are not in the mood to accept any suggestion to increase the membership of this house. I merely wanted to lend some emphasis to this thought by making a comparison with the United States. If we think of ourselves as having about one tenth the population of the United States, then we would suggest that the United States congress should consist of 2,600 members. I believe everyone agrees this is an exaggerated representation. I feel the people of Canada are adequately represented by the present membership. While there may have to be some amendment to section 51 of the British North America Act, I do not believe Canadians would want the membership of this house increased.

[*Translation*]

Mr. Latulippe: Mr. Chairman, I want, for a few minutes, to express my views on Bill No. C-72, to provide for the establishment of boundaries commissions. I carefully listened to the remarks of hon. members who preceded me, and speaking objectively, I can state that the ideas expressed by the hon. member for Nicolet-Yamaska (Mr. Vincent) are very similar to my own with regard to the standards to be set for going ahead with the bill.

As far as I am concerned, I shall advocate a tolerance of 33 per cent instead of 20 per cent. I believe that the difference established in this way between urban and rural ridings would be the most logical and fair, as the many economic, geographical, human and social factors which characterize a riding would be taken in consideration.

As the hon. member for Nicolet-Yamaska said, such a tolerance would establish the maximum population for a Quebec riding at about 93,500 and the minimum at 46,750. I consider those figures quite fair.

To support this statement I shall quote my own riding of Compton-Frontenac, which, at this time comprises about 45 parishes, for a population of 42,366. Including two provincial counties, the federal riding I represent is vast, and rather complex, because of its economic, and even social, diversity. The basis of 33 per cent would certainly include five or six communities in the riding and the population figure would rise by 7,000 or 8,000.

This means that the member's task will become harder, and his representation work wider, because that area is quite large even now. Though a tolerance of 33 per cent would entail some practical disadvantages, it is far better than 20 per cent, because the riding would at least keep its agricultural pattern.

As it is, the rural riding representative has less time than his colleague from the city to spend on legislation and on problems brought before the house. But it is essential to give our population an opportunity to see that some general work is being accomplished by the house member and that is why I think that even if the number of parishes were to be increased, their nature would be relatively the same, the problems would be relatively identical and the representation work would become easier.

But with the 20 per cent tolerance, my riding—I take that one, but I could take any one of the 28 ridings put on record yesterday by the hon. member for Nicolet-Yamaska—would be cut down to almost one third or one half of its present area. In my riding as in many others, all across Canada, there is a certain regional interest which must be maintained. Surely, splitting of a riding which would reduce that factor of regionalism to a feeling which cannot be found within political structures, would not be in the best interest of the citizens, or would not tend to provide in this house a more homogeneous and better balanced representation.

Moreover, if we look further, if we look into the future, we all agree that our population will almost double within 25 years. It

means that at that time, the situation will require a new redistribution and that the basis of 33 per cent now suggested will leave room for that, while the 20 per cent basis would not allow any changes, because of the too radical carving up it would require at this time.

To conclude my remarks I should like to underline once again the following points. It is essential not to cut down a rural community—often indirectly governed by regional interests—into a so-called riding just to give a new value to urban ridings. We must guard against setting up extremist procedures but we must strive to solve as many problems as possible while respecting, in our reforms, a certain established order so that politics will finally help us to provide a better direction and definition.

If urban centres seem to have some overpopulated ridings, on the other hand, others are not so heavily populated.

I think that the solution would be to divide urban ridings and maintain rural ones intact.

I agree with several hon. members of the house, especially with those who represent rural ridings, because we have many parishes, and we have to cover extended areas during an election campaign or to inform our constituents.

Incidentally, I could say that when I wish to visit every section of the constituency which I represent, I have to travel almost 1,000 miles by car to visit its 45 parishes. If 25 to 30 other parishes are added to them, well I think no member will be able to visit the whole riding during a one month election compaign.

Therefore, I feel it would be much better not to change anything in rural ridings and if urban constituencies are considered overpopulated, the best thing would be to divide them up.

[*Text*]

Mr. Kindt: Mr. Chairman, the centralization and decentralization aspects of this bill are features which are deserving of some additional consideration. The bill proposes that ten commissions be established, one in each province, and there is the question of whether a centralized authority, under Mr. Castonguay's direction, would be in a better position to work up the figures for each of the constituencies and let them be the final figures. However, the plan in a sense is to decentralize and establish a commission in each province thus giving the appearance of local determination, with the thought that commissions with local people on them would make decisions that would be more fair and equitable to all concerned. It remains to be seen whether this will work out or not.

[Mr. Latulippe.]

I believe with the statistical work that will be required—and there will be a tremendous amount of statistics involved—it will be necessary to have a central agency making an over-all plan, delineating a map, and presenting that map to each provincial commission. When that is done there may be one alternative, two alternatives or three alternatives, but it will be pretty much a question of the individual provincial commission performing the function of a rubber stamp, to say which one of those alternatives will be accepted.

Without going into all the statistics of shifting boundaries and so on, a local commission would not be in a position to do that unless its members had the figures at their elbows and unless they would, shall we say, familiarize themselves to a large extent in dealing with the figures with which they must be familiar in order to bring about these boundary shifts and changes.

What I am trying to say is that the centralized authority will have to do most of the spadework in bringing figures together, and it will be just one step further to have a provincial commission say with which of the plans submitted to it that it agrees. For the life of me I cannot see how, in the province of Alberta where I represent the Macleod riding, it would take a year to decide on the boundaries of constituencies if all of the statistical material were worked out in advance.

I should also like to point out that I have been unable to find any provision in the bill whereby the commissions intend to seek the advice of local members of parliament, or to co-operate with them. There is no one in a constituency who knows more about it than its member of parliament. He also knows equally as much as most other people about the adjoining ridings, with regard to where the boundaries may be changed. For instance, I am thinking of my own riding which contains four Indian reserves, or parts of four Indian reserves, with a fifth Indian reserve close at hand to it. It could be that in considering the adjustment of constituency boundaries, since I already have four Indian reserves, adding one more reserve to my riding might not be a bad change to make, because I have to deal at present with a tremendous number of Indian problems. There is a certain similarity between the problems of these reserves and it might be well to bring them all under one member of parliament.

On matters of this kind I suggest that a member of parliament would be in a good position to discuss them with the people who

will determine the boundaries of the constituencies, and would be in a good position to assist them in making a determination, and thereby avoid mistakes.

Above all, what we want to do in this matter is avoid as many mistakes as possible. It is sometimes said that we progress by mistakes, but I am sure the Minister of Transport is not one of those who wishes to advance by mistakes; at least I hope he is not. However, it could be that unless this matter is handled properly many, many mistakes will be made, and once a determination has been made this machinery the act proposes to set up is not sufficiently flexible in order to bring about changes.

There are a couple of other points I should like to mention. For example, rural constituencies because of their very nature and their problems are, in a sense, quite different from urban constituencies, and in so far as possible they should be kept as rural constituencies. Many of the rural constituencies cover large areas. For instance, my riding is about 140 or 150 miles north and south, and 150 miles east and west. In such a tremendous area population is very scattered, and some parts are very thinly populated. But that area requires attention and has its problems just the same as other places. It requires the servicing of industry and it takes a lot of travelling to cover it thoroughly.

It would be to the advantage of its residents to have the riding left as a rural constituency so that the thought and attention of its member of parliament can be devoted primarily to rural problems. If that is true, and without going into further detail on the nature of these various problems, I think there must be a 33⅓ per cent tolerance to overcome the factor of the tremendous areas which rural constituencies cover, as compared with urban constituencies. With the advent of the motor car and the concentration of population in cities, in contrast to the rural areas, it is only fair that at least a 33⅓ per cent tolerance be given with respect to the number of people in a rural constituency as compared with the number in an urban riding. With these few remarks, Mr. Chairman, I turn the floor back to you.

Mr. Bigg: I just wish to add a few words to what has already been said on this question of redistribution. I should like to begin by mentioning just one constituency where the application of any rule of thumb would not work out at all, and I refer to the Northwest Territories. I think the total population of the territories is in the neighbourhood of 20,000, and as hon. members probably know it is by far the largest. I am certainly surprised that we should be thinking of including an even greater area as part of this already immense riding.

My own constituency has a total area of some 65,000 square miles and at least half of it is without roads. In fact, I believe some 40,000 square miles are without roads. Large regions are not even served by airports. It is really a part of the north country and should be included among the areas to which special consideration should be given if they are to be covered adequately. I should like to see a clause in this measure—call it an emergency clause—to deal with circumstances of this kind. I think the government should give quite special consideration to these areas—areas whose coverage presents peculiar and singular problems. It is obvious that there are vast stretches of this northern country where an hon. member cannot get around his constituency in a normal way and I think a clause should be written into the elections act to take into account the special difficulties caused by the nature of the territory, the scarcity of communications and the unusual expense which anyone representing these areas has to bear. I cannot understand how a member representing the Northwest Territories can possibly get along, bearing in mind the expenses they must bear.

As the commissions begin their work, I think they should certainly consult the local members, not necessarily to take their recommendations—I realize there may be political recommendations made—but in order to take advantage of realistic and practical suggestions which might well save the government and the people of Canada both time and money. After all, our only reason for being here is to represent our ridings, and if it is physically impossible for a member to move around the constituency he represents, something should be done to help him do so. This is why I maintain every effort should be made to set up the boundaries in a realistic fashion. Let me give the committee one or two illustrations of what I mean. The hon. member for Jasper-Edson has to travel a hundred miles through my district of Athabasca to get to the town of Smith in his own constituency. There is no other way of getting there. It seems to me it would be logical to alter the boundaries between these two districts, because I can certainly get to that particular locality to handle the complaints or to attend to the wishes of the people there much easier than can the hon. member from next door.

The use of arbitrary lines to mark constituency boundaries often leads to trouble. We have used meridians, and when this is done, except perhaps where an interprovincial

boundary runs along a meridian, a great deal of difficulty is often encountered. I have at least four Indian reserves in my district and the meridian cuts right through them. It seems ridiculous that two members have to be consulted about the affairs of one Indian reserve when one is dealing, for example, with a complaint. Surely the boundaries of reserves are plain enough. In such cases I should like to see the commissions call on members for advice even if they do not intend to take it.

[*Translation*]

Mr. Caouette: Mr. Chairman, I shall be brief. After hearing several hon. members state their opinion on Bill No. C-72 which provides for the establishment of electoral boundaries commissions, I wonder if the setting up of ten commissions will not be more confusing than anything else.

I am inclined to believe the hon. member from the western provinces who said a while ago that the cost of establishment and operation of ten commissions would be excessive. In the past, a parliamentary committee and the chief electoral officer were entrusted with redistribution when the occasion arose.

At that time, from all points of view and in every part of the country, that parliamentary committee, composed of representatives of the various political parties, carried on its activities with understanding and honesty, and this to the satisfaction of the voters and the districts concerned.

For instance, I recall that in 1947, at the time we were proceeding with the redistribution of electoral districts in Canada, I was representing Pontiac county which included all the old provincial Pontiac county, the Quebec Temiscamingue county, as well as the Rouyn-Noranda county, part of Abitibi east and part of Abitibi west. At that time, when the commission decided upon or adopted a reorganization or redistribution policy, the members concerned were invited to the committee, and proceedings went along on a friendly basis. My riding was divided in two. In spite of all that was said then about alleged political partisanship and interference in the redistribution, I feel that everything was on the level.

On the other hand, I am of the opinion that ten commissions would create more confusion than anything else. A parliamentary committee that would invite the federal members to discuss and submit their points of view, their objections, if any, would be more normal and more proper.

Ten commissions may oppose two or three provinces to accept a larger representation. For instance, a commission will be set up for the small province of Prince Edward Island, which has only four members of parliament and will cost the same as the commission which will determine the limits of the ridings in the provinces of Ontario, Alberta and Quebec. It seems to me, Mr. Chairman, that all this will be really confusing. And the same thing will happen as when the government, for instance, asked all Canadians to submit a national flag design. At that time, ten thousand flag designs were sent in, when Canada does not have a flag and when the government could have acted to give a flag to the country.

The same thing applies to redistribution, we talk of a 20 per cent margin for a population of 70,000. Others suggest a tolerance of 33⅓ per cent rather than 20 per cent, giving as a reason that such a tolerance of 33⅓ per cent would be of a greater help to the rural constituencies.

In this connection, I agree with the hon. member for Compton-Frontenac (Mr. Latulippe) who mentioned earlier that we must protect the rural constituencies not only in Quebec but throughout Canada.

Some rural ridings covering an area of more than 100 square miles are inhabited at the most by 100,000 people, while in cities such as Toronto and Montreal, urban ridings covering one square mile have a population of 100,000 and even more sometimes.

It must also be remembered that in urban ridings, the needs of the people are almost all the same. There is not the diversity that is seen in our rural areas. Thus, for instance, in my own riding, there is a variety of problems related to mining, agriculture and forestry; there are also the everyday problems and even, as pointed out by my hon. friend from Megantic (Mr. Langlois), the unemployment problem.

Such diversity is not found in urban ridings, and in cities like Montreal, some ridings have 25,000 electors, others have 32,000, 33,000 and sometimes even 150,000. We do not object to giving adequate representation to cities like Montreal or Toronto. But we are strongly against any move to decrease representation of rural ridings to the benefit of urban ridings. In fact, I do not think that we could accept such a representation or such a redistribution.

It has already been pointed out that during an election campaign, the representatives of rural ridings must travel thousands of miles, while those in urban ridings have only to go from door to door to meet several hundred electors in the same apartment building.

Mr. Chairman, I do not think that it is the proper time to deal with the establishment of electoral boundaries, since we are only concerned at present with the setting

up of ten commissions, but just the same I hope that the few remarks which I wished to make will be taken into serious consideration.

I do not think it would be in the best interests of Canada to advocate the establishment of ten commissions which will certainly not give satisfaction. Let us take our responsibilities as members of the federal parliament, since redistribution comes within the jurisdiction of the federal government.

The provinces are increasingly jealous of their autonomy and since they are themselves ready to respect federal autonomy, I believe it is up to the federal parliament or a federal parliamentary committee to decide on redistribution throughout Canada, so as to maintain federal unity.

[*Text*]

Clause 1 agreed to.

Clause 2 agreed to.

On clause 3—*Commissions to be established.*

[*Translation*]

Mr. Rondeau: Mr. Chairman, I have a few short comments to make on clause 3.

Following the brief observations made by the hon. member for Villeneuve (Mr. Caouette) respecting the establishment of commissions to report upon the readjustment of the representation of the provinces in the House of Commons and in accordance with the very principle set forth in the bill, that of representation by population, I should like to propose an amendment.

In order to improve that representation by population in Canada, the house should reduce the number of the proposed commissions, because there is no point, as I have said before, in setting up ten commissions, because some would only represent four federal members and would have but a few problems to deal with, especially, for instance, in the case of the maritime provinces.

Some members have said that if we have only one commission for the whole country, its work would not be efficient. On the other hand, others have contended that if only four commissions were established, there would not be enough commissioners to settle all the problems.

For my part, I would think that if we want to have a number of members proportionate to the population, these commissions should be established on the same basic principle, that is, a commission for the western provinces, including Alberta, British Columbia, Saskatchewan and Manitoba, would be sufficient, because it would represent a good deal of the population of Canada, that is about 40 ridings. A commission could be set up for the province of Ontario which would include about 80 constituencies, one for the province of Quebec, including approximately 75 constituencies, another for the maritime provinces, for about 35 constituencies.

If the principle of representation by population has been put forward, I feel that the same principle should be applied to the establishment of the electoral boundaries commissions.

Therefore, I move, seconded by the hon. member for Kamouraska (Mr. Dionne):

That the number ten be replaced by the number four.

And I also move that the following be added at the end of section 3:

That those four commissions be divided as follows: one for the provinces of Manitoba, Saskatchewan, Alberta and British Columbia; one for Ontario; another for the province of Quebec, and the last one for the maritime provinces, namely New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland.

[*Text*]

The Chairman: Is the committee ready for the question?

Mr. Pickersgill: Mr. Chairman, I would like to say a few words about the amendment. I may say to the hon. member for Shefford that this was precisely the idea we started with when we began to consider this measure, when it was brought to my attention, as I think I told the house quite frankly in the last session of parliament at the first stage of the discussions on this whole business, and was made clear to us that we could not really hope to have an election under a redistribution before 1967 or 1968 if we had only one commission, because of the time that would necessarily elapse between the establishment of the commission and the time it would complete its work—

Mr. Woolliams: Oh.

Mr. Pickersgill: The hon. member for Bow River interjected at that point. I might point out to him that he ought to look at the history of the provincial commission in Ontario and see how long it has been engaged already in the task; and up to now it has dealt with metropolitan Toronto and not the rest of the province. Everyone who has studied these things has come to the same conclusion. We then thought, and it seemed a very reasonable thought, as the hon. member has put it forward now, that perhaps the tasks would be about equal—not quite; but about equal in proportion and in size—if there was one commission for the four provinces east of Quebec, one commission for Quebec, one for Ontario and one for the four provinces west

of Ontario. That seemed to have the attraction of creating problems of about equal proportions.

When we began to think that, unless these commissions for the western and eastern provinces were to be of inordinate size, there would be only one resident of each of these provinces on the commission, whereas in the case of Ontario and Quebec there would be three or four, and again in the case of one commission for the four western provinces there would be only one representative from Manitoba, one from Saskatchewan, and so on, it did not seem to us that this would prove very acceptable to the population.

With regard to the point made by the hon. member for Wellington South, I know he was speaking sincerely and it certainly sounds reasonable to suggest that the more commissions the greater the cost. However, I doubt whether in this particular circumstance this is true at all. The commission in Prince Edward Island, for example, is not going to have a very extensive task. There will always be four constituencies, or constituencies to elect four members, so that commission should not have to work for a whole year; it will work only as long as required to do the job. The same is true of Nova Scotia and the same is true of New Brunswick. It seems to me that if we had one commission for those four provinces it would more likely take longer than if we had a separate commission for each province.

Those of us who had to do with the matter of drafting were very much fortified in this view by the experience of Australia, which experience we examined. Although the population there is much smaller, and in some respects it is a more homogeneous country perhaps than Canada, Australia has six commissions, one for each state. I reached the same conclusion, but quite independently, as that reached by the representation commissioner after his return from Australia, when he advised me that he had also come to the conclusion that the most efficient and satisfactory way to carry out redistribution would be to have ten commissions. That is why the legislation was brought in in this form.

As I indicated before adoption of second reading, Mr. Chairman, we are not making this matter of confidence or anything of that sort, but I said that I felt that ten commissions would be much more satisfactory than one commission; and I think one commission would probably be more satisfactory than four, though it would take even longer.

In the circumstances, therefore, I do not feel I can support this amendment, although I can easily understand why the hon. gentleman has put it forward.

[Mr. Pickersgill.]

[*Translation*]

Mr. Gregoire: Mr. Chairman, if I may, I shall say a few words on the amendment submitted by my colleague, the hon. member for Shefford (Mr. Rondeau).

The Minister of Transport raised some points against such an amendment, and all those who put forward any arguments must have cudgelled their brains for a long time to find such sophisms.

Indeed, there was not a valid argument against the amendment. It is obvious that a single commission for the four maritimes provinces will take longer than four commissions would, that is, one for each of the four provinces. With four commissions, one for the west, one for Ontario, one for the maritime provinces and one for Quebec, it is to be expected, as there are 35 counties in the four maritime provinces, that the commission responsible for those provinces will probably complete its task before the one responsible for Ontario, with 85 ridings.

It might perhaps take a longer time to have the work of the four maritime provinces done by one commission, instead of four, but that one commission for the four maritime provinces will certainly not finish its job before the Ontario commission, as that province comprises 85 ridings, or before the Quebec commission, which will have to deal with 75 ridings.

With ten commissions, as advocated by the Minister of Transport, some of them in certain provinces, would be completing their task in a few weeks, or a few months, whereas, those responsible for other provinces, would finish their work much later.

In the meantime, commissions having completed their work would have nothing to do while remaining on the federal government payroll. On the other hand, if only four commissions were appointed, with four secretariats, four personnel services, etc., a considerable amount of money could be saved and it would not take a longer period of time to establish the boundaries of the constituencies. Even if the four maritime provinces had only one commission, it would complete its work ahead of the Quebec and Ontario commissions.

The work for the country as a whole would not be delayed either should there be only one commission for the western provinces where there are only 72 ridings, or less than in the provinces of Quebec and Ontario.

Mr. Chairman, I submit that the Minister of Transport who contemplated earlier the appointment of four commissions, was right at that time; it was an appropriate thought, a bright idea—he has had a good idea for once, he should consider it again and carry it out.

Mr. Chairman, I feel that to have four commissions instead of ten would be more economical and that it would not delay by any means the fixing of electoral boundaries. On the other hand, the work would probably be more efficiently done since it would be concentrated in the hands of four commissions instead of ten.

Mr. Rondeau: Mr. Chairman, there is another point which was not raised by the hon. member who spoke before me.

Throughout the debate which preceded examination of this bill, in committee, it was said that a member of parliament should represent people and not mountains, lakes, rivers or so many square miles of territory.

Consequently, according to the same principle, the proposed commissions should represent people rather than mountains, rivers or other water courses.

That is why I say that four commissions would represent people rather than square miles of territory.

[*Text*]

The Chairman: Is the house ready for the question?

Some hon. Members: Question.

Amendment (Mr. Rondeau) negatived: Yeas, 7; nays, 81.

The Chairman: I declare the amendment lost.

Mr. Churchill: Mr. Chairman, this clause has been the subject of much debate in the house, some favouring one general commission as against ten, and we have just disposed of another variation. The Minister of Transport seems to be of the opinion that with 10 commissions the work will be done much more speedily than if it is arranged in some other way. He appears to be contemplating a period of 12 months for the completion of this task. I suggest there is a real danger of this objective not being achieved with 10 commissions, because if you look further along in the bill you discover that one of the members of each of these 10 commissions is to be the representation commissioner. So in actual practice it may well be that the work of the 10 commissions will be retarded because the representation commissioner has to be present at the meetings of each of these 10 commissions. He is only one man and he has to attend these meetings in 10 provinces. I think this is a matter which should really be reconsidered.

It is for that reason that some of us had in mind the setting up of one main commission of which the representation commissioner would be a member, and the work of that commission might be sublet to subcommittees in the provinces. I think that would tend to speed up the work rather than the present proposal doing so. I think the work should be done within a year, of course, and perhaps it can be done in a shorter time if the work is pursued expeditiously.

There is another reason why I like the idea of one general commission with subcommittees by provinces working under it. That reason is that the application of the act, the interpretation of the sections and the general method of approach to problems which arise will be determined by a senior body, a commission which has supervision over the whole country. I would expect that with 10 separate commissions we might have 10 varieties of solutions to the major problem which will affect each province, the closing of the gap between various constituencies. It is just possible that if there are a number of commissions operating within the provinces we will have considerable discontent and discussions which might well be avoided, whereas if there was one general plan and that general plan was applied by the subcommittees in each province the picture as a whole would be more complete. That is one of the dangers I see in the suggestion of 10 commissions.

I mentioned earlier that with 10 commissions there may very well be delay. I now say that in addition there may be 10 varieties of solutions to the problems that will be drawn to the attention of these commissions. Is this what we want to do? Here we are setting up a method to be followed on the basis of the last census and which will be followed in the future after subsequent censuses.

At the resolution stage and on second reading the Minister of Transport said that the government is not unalterably committed to anything in the bill, that suggestions will be seriously considered and might even be welcomed, and that modification of the bill might be acceptable after due consideration. I put this before him now. He weighed in his mind the idea of four commissions for four areas and then came out in favour of 10 commissions because he thought it would expedite the work, but I doubt that he weighed carefully the two factors I have just mentioned. Will he now put his mind to these points and let us see if we cannot come up jointly with an alteration here that will do a better job for us? Frankly, I do not see the work being done within the time limit the minister has put before us and I am a little dubious about the separate activities of 10 commissions.

Mr. Pickersgill: Mr. Chairman, since the hon. gentleman has put the point directly

to me I should like to say it is almost exactly a year since I first began to give serious consideration to this matter. In fact, it will be a year next Wednesday. It was on the very first day that the government took office that I was entrusted by the Prime Minister with the task of trying to prepare this legislation. I do not think a day has passed in that time that I have not reflected on some aspect or other of this very difficult problem because I realize, as so many members have said, that this is a historic departure we are taking. I have given, I think, just as much consideration as my mind is capable of giving to this question and, as I indicated when I spoke just before second reading, it was the only point in the whole bill on which, so far as I was personally concerned, I felt I had reached a conclusion that this was the preferable way of doing it.

The suggestion of the hon. member for Winnipeg South Centre is certainly not without its attractions. He suggests that there should be one over-all commission, a kind of appeal body, and ten subcommissions; but on balance it seems to me that would be a more complicated structure. It means that everything has got to be looked at twice and it seems to me that any advantage that arrangement would have is equally well fulfilled by the arrangement of having the representation commissioner as an ex officio member of each one of the ten commissions, and without the duplication of consideration that would be involved by having one commission with ten subcommissions.

As for the matter of time, it would certainly take far longer. It is not contemplated that the representation commissioner will attend all the meetings of all the commissions, and I think it would be a wasted effort if he did. He will undoubtedly exercise a co-ordinating function and will attend meetings from time to time. As the time required for these various commissions will obviously be different because of the difference in the magnitude of the problems, I do not think there will be much difficulty about his being able to go to some of the smaller provinces, where the job will obviously be done earlier, for their final meetings before some of the other provinces are ready for the final stage. So that on reflection I do not think I would conclude there is any real danger on this particular score.

As for variations, I have a couple of amendments I am going to propose that have been suggested by the debate on both sides of the house when we come to the relevant clauses, in order to try to ensure that the rules of procedure will be kept in line. But I am not sure that all those social, historical and traditional considerations that various members have suggested in the course of the debate are not apt to have more account taken of them by commissions, in each case composed of three people resident in the province and conscious of the background and history of the province, than would be the case with an over-all commission on which, unless it was very large, there would not be the same local representation.

It may well be that, because of the different character of the different provinces the tolerance will be exercised, and ought to be exercised, in a somewhat different way in one province from another. As the hon. member for Winnipeg South Centre rather indicated this afternoon, a rather rigid adherence to the representation by population principle will more likely come from a single centralized commission than from a series of ten commissions each familiar, because they would be composed of people living in the province, with these local considerations which are, I admit at once, very important.

I think one hon. member stated that as far as possible we ought to try where possible to have the new constituencies based on a nucleus of the existing constituencies. I agree with that and I think most members of the house agree with that. This, again, is something that will be provided better by three people resident within a province than by someone looking at it from outside the province, as would be the case with a single commission. I think we have gone over most of the arguments, one way or another, and after a lot of very careful consideration I have come to the conclusion that, while there is a lot to be said for both schemes, on balance I think the job would be done better and I am quite certain it would be done more expeditiously, if we had ten commissions instead of one.

Mr. Churchill: I am grateful to the minister for his comments, but I should like to ask him this question. Earlier in his remarks he mentioned that the representation commissioner would not be attending all the meetings of each provincial commission, but he would be a co-ordinator. Now, what does this mean? Is this the man to whom the provincial commissioners refer their problems when they are trying to make a decision? I am not expressing any lack of confidence in the representation commissioner; I know him quite well. Nevertheless, is it the representation commissioner who is going to be the chief adviser to each one of these provincial commissions?

He has knowledge of the constituencies. Obviously, he must be working in advance on the maps of the constituencies. Is his mind set along one particular line or another? We

do not know. Yet, if he is to be the co-ordinator his views are going to carry a great deal of weight with the provincial commissions. I just wonder whether this is perhaps the wisest method. If he is in doubt himself, is he going to come to the Minister of Transport for advice because he has no means of consulting with all of us here?

Mr. Pickersgill: No, sir.

Mr. Churchill: If the reports I have heard are correct, for example, and some people have mentioned them in the house, the maps are already prepared for every constituency in Canada and every constituency is going to be altered, or nearly every one. I suggest immediately that is the wrong approach. If commissioners coming fresh to the job are going to be presented with maps showing the divisions within their province based strictly on the representation by population principle, which is the only one upon which maps could be drawn, the commission will start off on a wrong tangent.

Perhaps there is another approach. I do not know what is in the mind of the commissioner who is going to be the co-ordinator. I think the approach should be from the known to the related unknown; that is, to take the constituencies as they are, you see how closely they come to the quotient that is set and you leave unchanged just as many as you can because of the historic associations with so many of our constituencies. Then, you gradually work your way to the point where you approach the quotient for your province, but at the same time taking into account whatever tolerance is permitted. Of course, my view of that is that there should be a wide discretion in the hands of the commission.

It is a little disturbing if the representation commissioner is to be the co-ordinator, and perhaps if this is so the representation commissioner should meet with some committee of this house so that we know what is in his mind before he starts on his travels.

Mr. Pickersgill: I think the hon. gentleman asked me a question at the beginning of his remarks, and I should like to answer it. I seem to have created a misapprehension in his mind. I suggest that he look at clause 7 of the bill which indicates quite clearly that all four commissioners have an equal voice at any meeting. If there should be a draw it would not be the representation commissioner but the chairman of the commission who would be the judge who would have to decide on the vote. In using the word "co-ordinator", I had in mind that it would be possible for the representation commissioner to suggest what one commission was doing with a view to keeping the uniformity which the hon. member for Bow River and others suggested would be desirable. As I understand it, if we enact the bill setting up these independent commissions, none of us is going to try to tell the commission what to do, beyond the rules we lay down in the bill itself. I am sure they will all read these debates, at least I hope they will. Beyond that, none of us is going to try and tell them how to do this job. We are going to try and establish a procedure in this bill for getting the best possible commissioners and then trust them to do what parliament intends them to do within the limits parliament has laid down.

Mr. Knowles: As the Minister of Transport indicated a few moments ago, Mr. Chairman, there is some attractiveness to the proposition advanced by the hon. member for Winnipeg South Centre, namely that it would be desirable to have only one commission. There is something that looks rather tidy about that, and I think we all understand the motives of the hon. member for Winnipeg South Centre in advancing this proposition. However, this is a subject upon which there has been a good deal of thought by all of us, and we, in the New Democratic party feel that it would be preferable to have a separate commission to do the job in each province.

I am not going to take the time to go over all the arguments. They have been made and they have been answered. It seems to me that the argument that one commission would be more economical than ten is countered by the fact that one commission would have to do much more work and therefore require much more staff. Any suggestion that it would be simpler is also offset by the obligation of having a staff that would have to work in the various provinces.

It seems to me that the overriding argument is this. After we have established this commission we want the job of redistribution to be as satisfactory as it can be to the people of Canada, and that means to the people of the areas affected. I am sure the hon. member for Winnipeg South Centre and I would be met with some strong feelings on the part of the Manitoba people if the boundaries in Manitoba were drawn by a commission, based at Ottawa, that would not have on it people who belong to Manitoba. I think in the case of Manitoba, and this applies to all the rest of the provinces, we will get a more satisfactory job done. We will get recognition of the local conditions, geographical, topographical, sociological and all the rest, much better if we have a commission for each province. Therefore this is simply to reaffirm the position we have taken in the past and to say, having thought the matter over, that

we feel the clause should carry in the form in which it now appears in the bill.

Mr. Woolliams: I think the minister somewhat misinterpreted the remarks of the hon. member for Winnipeg South Centre in reference to the question of a co-ordinator. May I just ask one simple question. This is one Canada, although it is true it is made up of ten provinces, but by the provision of this bill you have ten distinct commissions. You have ten bosses, and if it comes to a question of principle, of interpretation of the bill, who is the boss?

An hon. Member: You.

Mr. Woolliams: That is a good answer. It certainly should not be any individual member of parliament because we are only going to be safeguarded—putting the words back into the mouth of the minister—if it is the rule of law that governs and not a person in an administrative capacity on the front benches.

On the question of co-ordination, you say it will be the chief electoral officer, but it must not be forgotten that he is a member of every commission, and there may be one interpretation of the law in one province and another interpretation in another province. The only safeguard we have is the fact that it does come back to parliament and somebody can complain, but that does not seem sufficient.

What the hon. member for Winnipeg South Centre had in mind was that if there were one commission that does not mean it would do all the detailed work. It would be the top boss, with subcommittees under it. It is something like the judiciary. Each province has a supreme court, but if there is a national question to be decided it is the Supreme Court of Canada which decides, and that decision is final. You often have the supreme court of one province making a decision one way and the supreme court of another province making a decision another way, but once the matter is raised on a national scale there is only the one decision of the Supreme Court of Canada.

Again I ask, who is the co-ordinator? The chief electoral officer is only one man and he cannot attend all these commissions when they are sitting simultaneously. What you are really setting up are ten distinct bodies and ten distinct bosses, and they may interpret the law in different ways. That is what I gathered from the argument put forward by the hon. member for Winnipeg South Centre, and I think that was behind the thinking of the previous government.

The minister says his government has been thinking about this thing for a year, but the previous government had a bill on the tracing board which I am sure he studied,

[Mr. Knowles.]

and it provided for one commission. We do not want to balkanize this country. I know we have problems of overlapping in federal and provincial rights, but surely in this matter there should be one distinct boss.

Mr. Pickersgill: I would just like to say a word about that, because I think the hon. gentleman has forgotten what he said earlier this afternoon in praise of the judiciary. The chairman of each of these commissions is going to be a high court judge, who is accustomed to interpreting the law, who is paid a salary to interpret the law and, after all, this law will not be a very complicated one. The job to be done is very complicated, heaven knows, but the law is not very complicated. Further, as the hon. member rightly pointed out, all these reports do come back here and if any one of these commissions has seriously misinterpreted the law, no doubt exception will be taken to that decision and, if you like, the final court of appeal is right here.

I can say, as I said in replying to the hon. member for Winnipeg South Centre, his argument has many attractive features. I do not think it is a case of black and white at all. It is just a question of which one is preferable and for my part, balancing the advantages and disadvantages of the two, I think what we have recommended is preferable.

Mr. Woolliams: May I ask this one question. Suppose an argument did arise in reference to the question I posed this afternoon, regarding the interpretation of section 51(5) of the British North America Act, and the commission in Saskatchewan takes a different point of view to what the minister has said has been the point of view over the years, who would decide that question—the commission sitting in Saskatchewan or the nine other commissions? Who would have the final authority on that? You have ten distinct commissions, nine differing with Saskatchewan, and you would have an uproar. There should be one Canadian boss.

Mr. Pickersgill: That point is not for the commissions to decide at all. That point is decided by the constitution, and the bill does provide that the commissions will be informed how many members, according to the provisions of the law, there are for each province, just as parliament has been informed when this has been done by parliament. If the interpretation that is made of section 51 is questioned by anyone competent to question it then, of course like any other question of interpretation of the law, I think I am right in saying this would possibly have to be decided by the courts.

Mr. Woolliams: That may be the point, but what court? Say it is the chief justice of the province of Alberta or Saskatchewan. To interpret the law he must understand the framework of the law under which he is operating. If he interprets the law differently from another commissioner in another province, then you have confusion. I do not think that question is properly answered. The minister says go before the courts. What court would that go before?

Mr. Pickersgill: I do not think the hon. gentleman understood what I said. I said possibly it might be taken before the courts, and he raised the question with respect to Saskatchewan, and said there might be more than one interpretation of section 51 of the British North America Act. Well, under the legislation section 51 of the British North America Act is not going to be interpreted by this commission from Saskatchewan.

The commission from Saskatchewan will be given what I might call the accepted interpretation, and if anyone wants to challenge that in the courts, and say it is not the proper interpretation, it would be challenged by the ordinary processes of law. I would remind the hon. gentleman that the hon. member for Winnipeg South Centre quite rightly regarded the practice in England as a model in many of these things, and they do not have one commission for the whole country. They have four, one for each of the divisions of the country.

Mr. Churchill: But in that connection the chairman of each of the commissions—

The Chairman: Order. The hon. member for Lake St. John.

[*Translation*]

Mr. Lessard (Lake St. John): Mr. Chairman, I thank you for recognizing us, for I realize several members of the official opposition had a chance to put forward their point of view, and I would like to state mine very briefly. Whatever the decision taken tonight or tomorrow, as to whether it is appropriate to establish one commission or ten commissions, I believe it will be extremely difficult to create a perfect commission, as the commissioners will certainly experience difficulties or face certain problems.

Nevertheless, to echo, at it were, the remarks of the hon. member for Fraser Valley (Mr. Patterson) in this connection, I may say we unanimously recognize that with ten commissions, we shall have a better chance to do justice to the provinces.

Like other hon. members, we have fought to a certain extent in order that the provinces may have a fair representation and may express their views. I feel that the proposal placed before us tonight, namely to establish a commission for each province, is entirely in line with the aim of confederation which is that each province should be able to express its own views.

Some hon. members have said that this procedure would be much more expensive. Personally, I do not think so, for if the commission, for instance, sitting to establish the boundaries of electoral ridings in Prince Edward Island—the smallest province in the country—worked only one week to complete the job, it certainly would only be paid on that basis for its work. On the other hand, if the Ontario commission had to work two or three months to complete its job, it would also be paid on that basis.

This way, I think we would avoid all the travelling that would go on if we had a single commission which would have to move about, from Vancouver to Halifax, to hear representations or claims from the various groups concerned.

Mr. Chairman, I think that the ten commission formula is probably the best we could consider at this time, even if it has some disadvantages. That is why I think we should accept that clause as it is and carry on our discussion of this bill.

[*Text*]

Clause agreed to.

Clauses 4 and 5 agreed to.

On clause 6—*Appointment of chairman, etc.*

Mr. Knowles: Clause 6 is the clause which provides for the manner in which the members of the various commissions are to be appointed. We have now established, by the clauses we have passed, that there will be ten commissions and that each commission shall consist of four members. The wording of clause 6 as it now appears in the bill, provides for the chairman of the commission to be appointed by the chief justice of the province from among the judges of the court over which he presides. It also provides for the fourth member of the commission in each province to be the representation commissioner. The other two members are to be appointed on the nomination, in one case of the Prime Minister, and in the other of the Leader of the Opposition.

As we indicated in the debate on the second reading of this bill, we think an improvement could be made with respect to the naming of those two commissioners. We can understand the motivation which led to the wording of the clause as we now have it, but we feel that if we are to get this business of redistribution completely away from partisan considerations, or at least as far away as it is humanly possible to do so, we should not have two of the commissioners

in each province appointed by persons who, though they can be named as Prime Minister and Leader of the Opposition are, in fact, the heads of two of the political parties in this country.

We have paid some attention to the debates on this matter in the past. As I recall, the present Minister of Transport when he was on the opposition side of the house took a stand for the naming of the commissioners in the former legislation in a way which seemed to call for the naming of these persons by parliament either by their actual names or by the offices they held. We feel this is what should be done. Instead of having these two commissioners named by the Prime Minister and the Leader of the Opposition they should be named in a manner which would involve the setting up of categories or positions from which they would be chosen. We have drawn attention on several occasions to the situation in Manitoba where for a number of years we have had an independent commission. That commission consists of the chief justice of the province, the president of the University of Manitoba and the chief electoral officer. My thinking with regard to what might be done in terms of setting up a commission of four members stems from the experience of Manitoba. We have a provincial boundaries commission of three in Manitoba consisting of those I have named. I think a desirable commission for redistributing the federal constituencies in Manitoba would be the chief justice, the president of the university, the chief electoral officer and the representation commissioner.

I suggested earlier that this might be a pattern to be followed across Canada. However, several difficulties were raised when we were considering second reading. One was that there was not a president of a provincial university, just one person holding such a position, in all the provinces. That does present a difficulty and one we have to meet. There was also the question of whether or not persons outside the employ of the federal government would accept a position on the commission. How, it was asked, could we by legislation name the chief electoral officer of a province or a president of a provincial university to a commission which comes under the federal parliament. These objections were raised in the debate and they were real objections which had to be met.

As a result, my colleagues and I did a little thinking about it. We did some work on it and I produced, a few weeks ago, an amendment to this clause—an amendment which was actually in two parts. One was an amendment to the clause itself and the other was a schedule to the act. The gist of this amendment was that these two commissioners should be named by the chief justice of the province, if there was someone in that position, from among persons in categories set out in the schedule. And in the schedule which I drafted I submitted several categories such as chief electoral officer, surveyor-general, registrar of vital statistics, president of the university, and so on. At one time I had quite a lengthy schedule. I might say I showed this amendment to colleagues in my own party and to members of other parties and it got around that I had this proposal. I was very pleased and complimented when I learned it had come to the attention of the representation commissioner himself. He discussed the matter with me and he asked me if I would like to show him my proposed amendment. I was happy to do so. He then rendered me a service which I think we all welcome when it is done. He had a law officer look at it and come up with an alternative draft of the proposal I had made. So the amendment I am now about to offer is an amendment incorporating an idea produced in this corner of the house, though the language which, as hon. members will recognize in a moment as somewhat legalistic, is the language of the law officers of the crown. I may say I am hopeful that this amendment may be acceptable. Indeed, I am so hopeful that I have had it mimeographed, and it can be distributed among the hon. members in the chamber. I must apologize for the fact that my French is not good enough to enable me to translate this lengthy document, but that will be done.

As I say, the purpose of this amendment is to alter the way in which these other two commissioners are to be appointed. My proposal is that one of them should be chosen from among the chief electoral officer, the surveyor-general or the registrar of vital statistics of the province or the holder of any similar office in the province, and that the other one be chosen from among the president or other similar officer of, or a member of the faculty of, a university, college or other educational institution providing courses at a post-secondary school level in the province. If hon. members will reflect for a moment they will see that the net result of the subamendment would be that we would have for each province a commission of four, consisting of a person appointed to be chairman by the chief justice from the court over which he presides; the representation commissioner, and two others, one of them a person such as the chief electoral officer and the other the president of the university or someone in a comparable position.

When one sets out to make a provision of this kind he also makes arrangements for

these appointments to be made. He also has to make the necessary arrangements in case the desired persons are not available. The wording of my amendment, which is a bit lengthy, therefore tries to take care of these contingencies. With that explanation, Mr. Chairman, I shall in a moment read and present the amendment. As I say, this is based on the idea that we think these commissions should be completely independent and that there is still a little suggestion of partisanship in the present arrangement whereby two of them are named, one by the leader of the largest political party in the country and the other by the leader of the second largest political party in the country, even though their titles in the bill are those of the Prime Minister and the Leader of the Opposition.

I therefore move, Mr. Chairman:

That clause 6 of Bill C-72 be amended by striking out subclauses (1), (2) and (3) thereof, and by substituting therefor the following:

"(1) The chairman of the commission for a province shall be appointed by the chief justice of the province from among the judges of the court over which he presides, and the two other members other than the representation commissioner shall be appointed by the chief justice of the province from among such persons coming within any of the following classes as the chief justice deems suitable, that is to say:

(a) the chief electoral officer, the surveyor-general or the registrar of vital statistics of the province or the holder of any similar office in the province; or

(b) the president or other similar officer of or a member of the faculty of, a university, college or other educational institution providing courses at a post-secondary school level in the province;

except that not more than one member shall be appointed from among persons coming within the class described in paragraph (a) and not more than one member shall be appointed from among persons coming within the class described in paragraph (b), and in the event that within either or both of those classes there is no such person able to act as a member of the commission the chief justice of the province, with the approval of the representation commissioner, shall appoint such member or both of such members, as the case may be, from among such persons resident in the province as the chief justice deems suitable.

(2) In the event that there is no judge of the court over which the chief justice of the province presides able to act as chairman of the commission, or where for any reason no appointment of a chairman or of either or both of the two other members other than the representation commissioner is made within the time provided therefor by this act, the Chief Justice of Canada or in the event of his absence or incapacity the senior puisne judge of the Supreme Court of Canada shall make the appointment or appointments from among such persons resident in the province as he deems suitable.";

and by renumbering subclause (4) as subclause (3).

If hon. members have an opportunity to look at this and compare it with clause 6 as we now have it, they will see that this proposed amendment strikes out the first three subclauses and puts in the two new ones that the amendment outlines. Then it retains the present subclause (4) but renumbers it as subclause (3). The total effect of the amendment is to leave intact the provision for the appointment of the chairman of each commission, and to leave intact the fact that the representation commissioner is a member of the commission, but to make this alteration that we propose, namely that the other two, instead of being appointed on the nomination of the Prime Minister and the Leader of the Opposition, will be appointed in the manner indicated from among the categories set out in this amendment.

I dare to believe, Mr. Chairman, from the discussion that we had on this matter on second reading, the discussions we have had on this matter in the past and the general desire that this whole business of redistribution shall be as far away from partisan politics as it is possible to make it, that this amendment will commend itself generally to hon. members of the house.

The Chairman: Is the committee ready for the question?

Mr. Nowlan: Mr. Chairman, I am sure we all agree with the hon. member for Winnipeg North Centre that the unanimous desire of this whole house is to avoid any semblance of partisanship whatsoever, although none of us had time to master the long, involved and detailed amendment which he has brought forward. I know the hon. member would think it an insult if we accepted this amendment at such short notice, because it certainly is worthy of much more careful consideration than we can give it between 9.57 and ten o'clock.

The hon. member says he wishes to avoid partisanship, and of course he does. He refers to a wide category of people. I can think, for instance, in this connection of one university in the province of which I have some knowledge where the head of one of the departments happens to be the president of the political party for which the hon. member is now speaking. I am not sure whether that diminishes the partisanship, or whether it would not be better to let the nomination be in the hands of the Prime Minister and the Leader of the Opposition. Also in the same university the president happens to have been a former leader of one of the major political parties of this country and a premier of a province. I am sure he is entirely divorced from any political suggestions whatsoever, but I would just as soon accept the nomination of a politician, the Prime Minister or the Leader of the Opposition, as I would one who due to circumstances over which he unfortunately,

from his own standpoint, had no control, finds himself in the position where he is now a university president.

I think there are many factors in this matter which deserve very careful consideration. My own feeling offhand, in agreeing that we must avoid partisanship, is that perhaps the best way to avoid partisanship is to recognize the fact that there is partisanship and we are going to accept responsibility by having the best appointments made by political officers who have a responsibility to the country as a whole. However, Mr. Chairman, that matter can be discussed much better, I think, tomorrow morning. May I call it ten o'clock, Mr. Chairman?

Progress reported.

BUSINESS OF THE HOUSE

Mr. Churchill: Mr. Speaker may I ask the acting house leader whether he intends to go ahead with this bill tomorrow or let public opinion have something to say about it and switch to some other subject.

Mr. MacNaught: Mr. Speaker, tomorrow we will continue with the committee stage of this bill. When that is completed we will go ahead with the resolution preceding the amendment to the Post Office Act, and then the budget resolutions.

Mr. Churchill: We have not given the press gallery a chance to do objective reporting on this bill. They need more time.

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

APPENDIX

EXPLANATORY MEMORANDUM REGARDING CANADA-UNITED KINGDOM CEREALS AGREEMENT

Under this co-operative agreement the government of Canada, other co-operating governments and the government of the United Kingdom declare their agreed objectives with respect to world trade in cereals. These are, first, that the world market for cereals should be improved through the establishment of a better and more economic balance between world supplies and commercial demand and that to this end there should be the provision of acceptable conditions of access into world markets for cereals in the furtherance of a significant development and expansion of world trade in cereals. Second, that there should be the assurance of supplies of cereals and cereal products at equitable and stable prices and the creation of greater stability in the levels of international prices for them. We have agreed that these objectives should be sought in such ways as would take into account the interests of both producers and consumers and of importing and exporting countries.

As the house is aware, negotiations are now going forward under GATT auspices, and in the context of the forthcoming Kennedy round of trade negotiations, for a comprehensive world grains agreement. In these negotiations we shall be co-operating closely with the United Kingdom, cereals exporting countries and other countries in pursuit of these broad objectives. Pending the conclusion of long term international cereals arrangements the government of the United Kingdom declares in this agreement its intention of introducing adaptations into its existing cereals policy with the objectives of permitting greater stability in the United Kingdom market and of maintaining a fair and reasonable balance between home production and imports. This balance would be broadly based on the present supplies to the United Kingdom market from domestic production on the one hand and cereals imports on the other and would provide the opportunity for domestic producers and overseas suppliers to share in the future growth of the United Kingdom market in a fair and reasonable way.

The new British cereals arrangements are to be introduced on July 1. Under this arrangement the British will seek to discourage the growth of domestic cereals production above a level consistent with their stated objectives by disincentives limiting financial assistance to producers in relation to specified volumes of production. In addition a system of minimum import prices is to be applied designed to prevent prices in the United Kingdom from falling to very low levels and so to limit the amount of the deficiency payment which would otherwise be payable to producers. A list of the products involved and of the minimum import prices to be applied to them have been tabled with the exchange of letters. There has also been made available to the house a comparative table showing the dollar per bushel equivalent of the minimum import prices, basis c.i.f. United Kingdom, for items of direct interest to Canada and the current market prices for these items. The minimum import prices for Canadian wheat are well below current market prices. Accordingly, trade will proceed in the normal way without a levy.

The proposed minimum import price for screenings of a fibre content of 15 per cent or less could give rise to a levy on Canadian exports. There was insufficient time to clear up this point before the United Kingdom government considered it necessary to issue its minimum import price order. However, the United Kingdom government has given the assurance that it will consult with the Canadian government and other co-operating governments with the object of working out a mutually satisfactory solution which would avoid possible damage to Canadian trade in this product. In the meantime no levy would be imposed on Canadian screenings. Finally, special arrangements have been made for wheat flour which will fully safeguard Canada's preferential position in the British market. Paragraph 13 of the United Kingdom letter sets forth the general British assurances concerning the maintenance of the benefits enjoyed by Canada as a preferential supplier to Britain.

Under the exchange of letters procedures are established for making any necessary changes in the products covered by the minimum import price system and in the minimum prices to apply. Such changes are to be worked out in consultation or agreement with the co-operating governments concerned.

The government of the United Kingdom will take action to maintain the levels of the prescribed minimum prices by such levies as may be necessary for this purpose. The government of Canada has undertaken to co-operate so far as practicable in the operation and observance of the prescribed minimum

import prices. On this basis Canadian sales of the products concerned will be exempt from any levy except in the circumstances stated in paragraph 8 of the British letter.

Under the arrangements which have been made with the United Kingdom government the minimum import price arrangements are to be reviewed in consultation with co-operating governments before the beginning of each crop year or on request during a crop year. In addition not later than the beginning of December in each year the co-operating governments will review with the United Kingdom government the extent to which the objectives set forth in the British letter are being achieved. Amongst other things this review will be concerned with the maintenance of a fair and reasonable balance in subsequent years between domestic production and imports in the light of supply and marketing conditions, including the relative efficiency of suppliers and changes therein. In this connection the United Kingdom government have stated their intention that changes in their domestic guarantee arrangements should be made as necessary to this end.

END OF VOLUME II